Planning Commission



REGULAR MEETING AGENDA

Date: 2/24/2025 Time: 7:00 p.m.

Location: Zoom.us/join – ID# 846 9472 6242 and

City Council Chambers

751 Laurel St., Menlo Park, CA 94025

Members of the public can listen to the meeting and participate using the following methods.

How to participate in the meeting

- Access the live meeting, in-person, at the City Council Chambers
- Access the meeting real-time online at: zoom.us/join – Meeting ID# 846 9472 6242
- Access the meeting real-time via telephone (listen only mode) at: (669) 900-6833

Regular Meeting ID # 846 9472 6242

Press *9 to raise hand to speak

 Submit a written comment online up to 1-hour before the meeting start time: planning.commission@menlopark.gov*
 Please include the agenda item number related to your comment.

*Written comments are accepted up to 1 hour before the meeting start time. Written messages are provided to the Planning Commission at the appropriate time in their meeting.

Subject to change: The format of this meeting may be altered or the meeting may be canceled. You may check on the status of the meeting by visiting the city website menlopark.gov. The instructions for logging on to the webinar and/or the access code is subject to change. If you have difficulty accessing the webinar, please check the latest online edition of the posted agenda for updated information (menlopark.gov/agendas).

Planning Commission Regular Meeting Agenda February 24, 2025 Page 2

Regular Meeting

- A. Call To Order
- B. Roll Call
- C. Reports and Announcements
- D. Public Comment

Under "Public Comment," the public may address the Commission on any subject not listed on the agenda. Each speaker may address the Commission once under public comment for a limit of three minutes. You are not required to provide your name or City of residence, but it is helpful. The Commission cannot act on items not listed on the agenda and, therefore, the Commission cannot respond to non-agenda issues brought up under Public Comment other than to provide general information.

- E. Consent Calendar
- E1. Approval of minutes from the January 27, 2025 Planning Commission meeting (Attachment)
- F. Public Hearing
- F1. Use Permit Revision/Yarden Ben Arye/332 Barton Way:
 Consider and adopt a resolution to approve a use permit revision for an existing nonconforming, two-story, single-family residence on a substandard lot in the R-1-U (Single Family Urban Residential) zoning district, and determine this action is categorically exempt under CEQA Guidelines Section 15301's Class 1 exemption for existing facilities. The original use permit was granted in 2006, and the revisions include a ground-floor addition at the front with a new second-level deck on top. (Staff Report #25-007-PC)
- F2. Use Permit, Architectural Control, Below Market Rate (BMR) Housing Agreement, Environmental Review/3705 Haven, LLC/3705 Haven Ave.: Consider and adopt a resolution to approve a use permit, architectural control, and below market rate (BMR) housing agreement to demolish an existing single-story 10,361 square-foot commercial building, and construct an eight-story multi-family residential bonus-level development project with 112 units on a 0.66-acre parcel, located in the R-MU-B (Residential Mixed Use-Bonus) zoning district. The project would use the City's bonus level development allowance for increases in density, intensity (gross floor area), and height in exchange for the provision of community amenities. Additionally, the proposed project would utilize benefits pursuant to the State Density Bonus Law, which include additional units along with incentives, concessions, waivers and parking reductions under Gov. Code, § 65915. Specifically, the State Density Bonus Law allows for an increase from 66 to 112 units. In addition, the State Density Bonus Law provides for waivers from development standards to increase the maximum height, increase the maximum floor area ratio (FAR), reduce the ground floor height requirement, reduce the ground floor transparency requirement, reduce the minimum number of parking spaces and modify parking stall dimension

requirements, allow smaller BMR units, and deviate from building modulation and open space requirements. Additionally, the State Density Bonus Law entitles the proposed project to up to three concessions; the project includes requests for concessions to not replace an existing utility pole, remove the requirement to dual-plumb the buildings for future use of recycled water, and to allow rents for moderate income BMR housing units to use the rental amount permitted by the Health and Safety Code without being subject to the City's BMR Guideline requirement that BMR rents be limited to no more than 75% of market rents. The proposed project would include a BMR housing agreement for a minimum of 15 percent of the base density units (10 units), affordable to seven very-low and three moderate income households. The BMR agreement would also apply to the project's proposed three additional BMR units affordable to very-low income households as the community amenity in exchange for bonus level development and the project's proposed one additional unit affordable to a moderate income household necessary to satisfy the requirements of State Density Bonus Law. The proposed project would include a total of 14 BMR units. Determine this action is exempt from the California Environmental Quality Act under Public Resources Code Section 21083.3 and CEQA Guidelines Section 15183. The proposed project includes three development-related heritage tree removals, which the City Arborist has reviewed and conditionally approved. (Staff Report #25-008-PC)

H. Informational Items

- H1. Future Planning Commission Meeting Schedule The upcoming Planning Commission meetings are listed here, for reference. No action will be taken on the meeting schedule, although individual Commissioners may notify staff of planned absences.
 - Regular Meeting: March 10, 2025Regular Meeting: March 24, 2025

I. Adjournment

At every regular meeting of the Planning Commission, in addition to the public comment period where the public shall have the right to address the Planning Commission on any matters of public interest not listed on the agenda, members of the public have the right to directly address the Planning Commission on any item listed on the agenda at a time designated by the chair, either before or during the Planning Commission's consideration of the item.

At every special meeting of the Planning Commission, members of the public have the right to directly address the Planning Commission on any item listed on the agenda at a time designated by the chair, either before or during consideration of the item. For appeal hearings, appellant and applicant shall each have 10 minutes for presentations.

If you challenge any of the items listed on this agenda in court, you may be limited to raising only those issues you or someone else raised at the public hearing described in this notice, or in written correspondence delivered to the City of Menlo Park at, or before, the public hearing.

Any writing that is distributed to a majority of the Planning Commission by any person in connection with an agenda item is a public record (subject to any exemption under the Public Records Act) and is available by request by emailing the city clerk at jaherren@menlopark.gov. Persons with

Planning Commission Regular Meeting Agenda February 24, 2025 Page 4

disabilities, who require auxiliary aids or services in attending or participating in Planning Commission meetings, may call the City Clerk's Office at 650-330-6620.

Agendas are posted in accordance with Cal. Gov. Code §54954.2(a) or §54956. Members of the public can view electronic agendas and staff reports by accessing the city website at menlopark.gov/agendas and can receive email notifications of agenda postings by subscribing at menlopark.gov/subscribe. Agendas and staff reports may also be obtained by contacting City Clerk at 650-330-6620. (Posted: 2/20/2025)

Planning Commission



REGULAR MEETING DRAFT MINUTES

Date: 1/27/2025 Time: 7:00 p.m.

Location: Zoom.us/join – ID# 846 9472 6242 and

City Council Chambers

751 Laurel St., Menlo Park, CA 94025

A. Call To Order

Vice Chair Andrew Ehrich called the meeting to order at 7:01 p.m.

B. Roll Call

Present: Andrew Ehrich (Vice Chair), Katie Behroozi, Linh Dan Do, Katie Ferrick, Misha Silin, Ross Silverstein

Absent: Jennifer Schindler (Chair)

Staff: Fahteen Khan, Associate Planner; Matt Pruter, Associate Planner; Thomas Rogers, Principal Planner; Corinna Sandmeier, Principal Planner

C. Reports and Announcements

Principal Planner Corinna Sandmeier said the City Council at its January 28, 2025 meeting would review proposed alternatives to the Below Market Rate Housing Guidelines and a community funding agreement for a proposed affordable housing project at 335 Pierce Road.

D. Public Comment

Vice Chair Ehrich opened public comment and closed it as no persons requested to speak.

E. Consent Calendar

E1. Approval of minutes from the January 13, 2025 Planning Commission meeting (Attachment)

Commissioner Ferrick requested the item be pulled from the consent calendar.

Vice Chair Ehrich opened public comment and closed it as no persons requested to speak.

Planner Sandmeier said that Commissioner Ferrick had sent staff two requested corrections in the minutes of commentary she had made. Planner Sandmeier said copies of the text were at the dais and were available for the public on the rear table in the Chambers.

Commissioner Ferrick said her corrections were clarification of language from the minutes which had not conveyed clearly what she intended to articulate.

ACTION: Motion and second (Ferrick/Silverstein) to approve the minutes from the January 13, 2025 Planning Commission meeting with Commissioner Ferrick's modifications as conveyed to staff;

passes 6-0 with Commissioner Schindler absent.

F. Public Hearing

F1. Use Permit/James Loftus/651A Coleman Ave.:

Consider and adopt a resolution to approve a use permit to reduce the interior side setback for an accessory dwelling unit (ADU) to approximately three feet, where four feet is required. The proposed project is located in the R-1-U (Single Family Urban Residential) zoning district at 651A Coleman Avenue; determine this action is categorically exempt under CEQA Guidelines Section 15303's Class 3 exemption for "New construction or conversion of small structures." (Staff Report #25-003-PC)

Planner Sandmeier said staff had no changes to the written staff report.

James Loftus, property owner, spoke on behalf of the project.

Kalan Camero, AKD Homes, explained the history of the surveys for which a discrepancy had occurred.

Vice Chair Ehrich opened the public hearing and closed the public hearing as no persons requested to speak.

ACTION: Motion and second (Silin/Do) to adopt a resolution approving the item as presented; passes 6-0 with Commissioner Schindler absent.

F2. Use Permit/Gagan Kang/420 Pope St.:

Consider and adopt a resolution to approve a use permit to demolish an existing single-story, single-family residence and detached structures and construct a new two-story, single-family residence and detached garage on a substandard lot with regard to lot width in the R-1-U (Single Family Urban Residential) zoning district, and determine this action is categorically exempt under CEQA Guidelines Section 15303's Class 3 exemption for new construction or conversion of small structures. The project includes an attached accessory dwelling unit (ADU), which is a permitted use that is not subject to discretionary review. (Staff Report #25-004-PC)

Principal Planner Thomas Rogers noted that the data table was omitted from the staff report but had since been provided to the Commissioners and applicant earlier in the day and was available for the public on the rear table in the Chambers.

Gagan Kang, Thomas James Homes, applicant, spoke on behalf of the project. Replying to questions, Mr. Kang confirmed the proposed detached garage was for two cars, with parking space for two cars next to it and a driveway at the front that might also be used for parking.

Vice Chair Ehrich opened the public hearing and closed the public hearing as no persons requested to speak.

ACTION: Motion and second (Ferrick/Behroozi) to adopt a resolution approving the item as presented; passes 6-0 with Commissioner Schindler absent.

F3. Use Permit/Salar Safaei/2319 Warner Range Ave.:

Consider and adopt a resolution to approve a use permit to build a retaining wall within the rear setback on a standard lot located within the R-1-S (Single Family Suburban Residential) zoning district, and determine this action is categorically exempt under CEQA Guidelines Section 15303's Class 3 exemption for new construction or conversion of small structures. The project would result in more than twelve inches of excavation within the required rear setback, which requires use permit approval. (Staff Report #25-005-PC)

Planner Rogers noted that the use permit was for the retaining wall excavation only as the house was permitted and currently under construction.

Salar Safaei, property owner, spoke on behalf of the project.

Vice Chair Ehrich opened the public hearing and closed the public hearing as no persons requested to speak.

ACTION: Motion and second (Silverstein/Do) to adopt a resolution approving the item as presented; passes 6-0 with Commissioner Schindler absent.

F4. Use Permit/Karishma Anand/1046 Oakland Ave.:

Consider and adopt a resolution to approve a use permit to allow first-floor interior modifications and addition of a new second-story to an existing single-story single-family residence on a substandard lot with regard to minimum lot width in the R-1-U (Single Family Urban Residential) zoning district at 1046 Oakland Avenue. The proposed addition would exceed 50 percent of the existing floor area, and is considered equivalent to new structure; determine this action is categorically exempt under CEQA Guidelines Section 15301's Class 1 exemption for existing facilities. (Staff Report #25-006-PC)

Associate Planner Fahteen Khan said staff had no additions to the staff report.

Karishma Anand, property owner, spoke on behalf of the project.

Vice Chair Ehrich opened the public hearing and closed the public hearing as no persons requested to speak.

Commissioner Behroozi said she lived within 1000 feet of the subject property, but would not recuse herself, noting she did not know the applicants and had no substantive input to add.

Commission comment included appreciation for expansion of an existing home rather than demolition and rebuild and a design that incorporated the existing architecture and was compatible with the neighborhood.

ACTION: Motion and second (Silverstein/Do) to adopt a resolution approving the item as presented; passes 6-0 with Commissioner Schindler absent.

H. Informational Items

H1. Future Planning Commission Meeting Schedule

• Regular Meeting: February 10, 2025

Planner Sandmeier said the February 10 meeting was cancelled.

• Regular Meeting: February 24, 2025

Planner Sandmeier said the February 24 agenda was in progress.

I. Adjournment

Vice Chair Ehrich adjourned the meeting at 8:09 p.m.

Staff Liaison: Corinna Sandmeier, Principal Planner

Recording Secretary: Brenda Bennett

Community Development



STAFF REPORT

Planning Commission
Meeting Date: 2/24/2025
Staff Report Number: 25-007-PC

Public Hearing: Consider and adopt a resolution to approve a use

permit revision for an addition to an existing nonconforming, two-story, single-family residence on a substandard lot in the R-1-U (Single-Family Urban Residential) zoning district at 332 Barton Way, and determine this action is categorically exempt under CEQA Guidelines Section 15301's

Class 1 exemption for existing facilities.

Recommendation

Staff recommends that the Planning Commission adopt a resolution approving a use permit revision for an existing nonconforming, two-story, single-family residence on a substandard lot in the R-1-U (Single-Family Urban) zoning district, at 332 Barton Way. The original use permit was granted in 2006, and the revisions include a ground-floor addition at the front with a new second-level deck on top. The draft resolution, including the recommended actions and conditions of approval, is included as Attachment A.

Policy Issues

Each use permit request is considered individually. The Planning Commission should consider whether the required use permit findings can be made for the proposed project.

Background

Site location

Barton Way is a short north-south street in the Willows neighborhood, between Gilbert Avenue and Concord Drive. The subject parcel sits on the east side of the street, backing up to properties that front onto Nova Lane. All properties in the immediate vicinity to the subject property are also located in the R-1-U zoning district. Neighboring residences are a mix of single- and two-story homes of varying styles, including ranch, modern farmhouse, and contemporary. A location map is included as Attachment B.

Previous Planning Commission action

In August 2006, the Planning Commission reviewed a use permit application to remodel and add a second story to an existing single-family residence at the subject property. The use permit was required because the overall floor area increase was greater than 50 percent on a substandard lot (which is considered equivalent to a new structure), and because the remodeling and addition work would exceed 50 percent of the replacement cost of the existing nonconforming structure.

At the meeting, the Planning Commission received testimony from the property owner and designer, as well as the rear diagonal neighbor at 321 Nova Lane, who had concerns about privacy and light. The Planning

Staff Report #: 25-007-PC Page 2

Commission discussed those concerns and considered potential landscaping enhancements, but ultimately approved the project as proposed. The associated building permit was issued in January 2007, and construction was completed in July of that year.

Analysis

Project description

The subject property is currently occupied by a two-story, single-family residence with four bedrooms and two bathrooms. Off-street parking is provided by a one-car garage, which is an existing nonconformity that predated the 2006-2007 expansion. The driveway provides additional unofficial parking in a tandem arrangement.

The applicant is proposing to demolish the front trellis and entry foyer, and construct a ground-level addition of approximately 190 square feet. The addition would allow for a living room in front of the existing great room, as well as an outdoor patio on the second level, accessed from doors that would be added to the front of the primary bedroom. The new second-level deck would comply with the 20-foot side setback requirement for balconies and decks above the main level. The changes require Planning Commission review of a use permit revision, since they would not be in substantial conformance with the original use permit approval, primarily due to the addition's location at the front, and the new elevated deck.

The expanded residence would meet all Zoning Ordinance requirements for lot coverage, floor area limit (FAL), daylight plane, and height. The existing ground-floor side setback and parking nonconformities would remain, which may be permitted. The project plans and the applicant's project description letter are included as Attachment A, Exhibits A and B, respectively. A data table summarizing parcel and project attributes is included as Attachment C.

Design and materials

The revised residence would retain the existing ranch/traditional residential style and materials, with stucco siding and windows with between-the-glass grids. The new second-floor deck would feature a wood railing, painted white to match other trim elements, and a trellis feature for shade and visual interest. The relocated front door would feature a cantilevered awning to protect from the elements and modulate that façade slightly. Staff believes the revised residence would remain compatible with the neighborhood, and the new second-floor deck would not create any privacy issues by virtue of its location at the front and compliance with the balcony setback requirements.

Trees and landscaping

The site features one heritage street tree and an additional four non-heritage trees. All trees are proposed to remain. The City Arborist has determined that an arborist report is not required, but standard tree protection measures must be followed for the heritage street tree as it relates to equipment/vehicle access and materials staging. This would be implemented and ensured as part of standard condition 1f.

Correspondence

As stated in the project description letter, the property owners conducted outreach with neighboring properties, but did not receive any questions or concerns. A copy of the outreach letter is included as an attachment to the project description letter. As of the writing of this report, staff has not received any communications from neighbors regarding the project.

Staff Report #: 25-007-PC Page 3

Conclusion

Staff believes that the design and materials of the expanded residence would remain compatible with the surrounding neighborhood. The new second-floor deck would adhere to the balcony side setback requirements and would be located at the front of the building, which would help limit privacy impacts. The applicant states that the property owner did neighbor outreach, and staff has not received any questions or concerns from the public. Staff recommends that the Planning Commission approve the proposed project.

Impact on City Resources

The project sponsor is required to pay Planning, Building and Public Works permit fees, based on the City's Master Fee Schedule, to fully cover the cost of staff time spent on the review of the project.

Environmental Review

The project is categorically exempt under Class 1 (Section 15301, "Existing facilities") of the current California Environmental Quality Act (CEQA) Guidelines.

Public Notice

Public notification was achieved by posting the agenda, with the agenda items being listed, at least 72 hours prior to the meeting. Public notification also consisted of publishing a notice in the local newspaper and notification by mail of owners and occupants within a 300-foot radius of the subject property.

Appeal Period

The Planning Commission action will be effective after 15 days unless the action is appealed to the City Council, in which case the outcome of the application shall be determined by the City Council.

Attachments

A. Draft Planning Commission Resolution approving the use permit Exhibits to Attachment A

- A. Project Plans
- B. Project Description Letter
- D. Conditions of Approval
- B. Location Map
- C. Data Table

Report prepared by:

Thomas Rogers, Principal Planner

Report reviewed by:

Kyle Perata, Assistant Community Development Director

PLANNING COMMISSION RESOLUTION NO. 2025-0xx

A RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF MENLO PARK APPROVING A USE PERMIT REVISION FOR AN ADDITION TO AN EXISTING NONCONFORMING TWO-STORY, SINGLE-FAMILY RESIDENCE ON A SUBSTANDARD LOT IN THE R-1-U (SINGLE FAMILY URBAN RESIDENTIAL) ZONING DISTRICT, AT 332 BARTON WAY.

WHEREAS, the City of Menlo Park ("City") received an application requesting a use permit revision for an addition to an existing nonconforming, two-story, single-family residence on a substandard lot in the R-1-U (Single Family Urban Residential) zoning district (collectively, the "Project") from Yarden Ben Arye ("Applicant") located at 332 Barton Way (APN 062-343-130) ("Property"). The Project use permit revision is depicted in and subject to the development plans and project description letter, which are attached hereto as Exhibit A and Exhibit B, respectively, and incorporated herein by this reference; and

WHEREAS, the Property is located in the Single Family Urban Residential (R-1-U) district. The R-1-U district supports single-family residential uses; and

WHEREAS, the proposed revisions would comply with all objective standards of the R-1-S district; and

WHEREAS, the City Arborist has determined that standard tree protection measures would adequately protect the heritage street tree in the vicinity of the project; and

WHEREAS, the Project requires discretionary actions by the City as summarized above, and therefore the California Environmental Quality Act ("CEQA," Public Resources Code Section §21000 et seq.) and CEQA Guidelines (Cal. Code of Regulations, Title 14, §15000 et seq.) require analysis and a determination regarding the Project's environmental impacts; and

WHEREAS, the City is the lead agency, as defined by CEQA and the CEQA Guidelines, and is therefore responsible for the preparation, consideration, certification, and approval of environmental documents for the Project; and

WHEREAS, the Project is categorically exempt from environmental review pursuant to Cal. Code of Regulations, Title 14, §15301 et seq. (Existing facilities); and

WHEREAS, all required public notices and public hearings were duly given and held according to law; and

WHEREAS, at a duly and properly noticed public hearing held on February 24, 2025, the Planning Commission fully reviewed, considered, and evaluated the whole of the record including all public and written comments, pertinent information, documents and plans, prior to taking action regarding the Project.

NOW, THEREFORE, THE MENLO PARK PLANNING COMMISSION HEREBY RESOLVES AS FOLLOWS:

Section 1. Recitals. The Planning Commission has considered the full record before it, which may include but is not limited to such things as the staff report, public testimony, and other materials and evidence submitted or provided, and the Planning Commission finds the foregoing recitals are true and correct, and they are hereby incorporated by reference into this Resolution.

Section 2. Conditional Use Permit Findings. The Planning Commission of the City of Menlo Park does hereby make the following Findings:

The approval of the use permit revision for an addition to a nonconforming, two-story, single-family residence on a substandard lot, is granted based on the following findings, which are made pursuant to Menlo Park Municipal Code Section 16.82.030:

- 1. That the establishment, maintenance, or operation of the use applied for will, under the circumstance of the particular case, not be detrimental to the health, safety, morals, comfort and general welfare of the persons residing in the neighborhood of such proposed use, or injurious or detrimental to property and improvements in the neighborhood or the general welfare of the city because:
 - a. Consideration and due regard were given to the nature and condition of all adjacent uses and structures, and to general plans for the area in question and surrounding areas, and impact of the application hereon; in that, the proposed use permit revision is consistent with the R-1-U zoning district and the General Plan because two-story residences that have received use permits are allowed to be expanded and modified subject to issuance of a use permit revision, and provided the changes conform to applicable zoning standards, including, but not limited to, maximum floor area limit, maximum building coverage, and setbacks for balconies and decks.
 - b. The proposed Project is designed to meet all the applicable codes and ordinances of the City of Menlo Park Municipal Code and the Commission concludes that the Project would not be detrimental to the health, safety, and welfare of the surrounding community as the proposed residence would be located in a single-family neighborhood and has been designed in a way to complement the existing scale and style of surrounding homes.

Section 3. Conditional Use Permit. The Planning Commission approves Use Permit No. PLN2024-00033, which use permit is depicted in and subject to the development plans and project description letter, which are attached hereto and incorporated herein by this reference as Exhibit A and Exhibit B, respectively. The Use Permit is conditioned in conformance with the conditions attached hereto and incorporated herein by this reference as Exhibit C.

Section 4. ENVIRONMENTAL REVIEW. The Planning Commission makes the following findings, based on its independent judgment after considering the Project, and having reviewed and taken into consideration all written and oral information submitted in this matter:

1. The Project is categorically exempt from environmental review pursuant to Cal. Code of Regulations, Title 14, §15301 et seq. (Existing facilities).

Section 5. SEVERABILITY

If any term, provision, or portion of these findings or the application of these findings to a particular situation is held by a court to be invalid, void or unenforceable, the remaining provisions of these findings, or their application to other actions related to the Project, shall continue in full force and effect unless amended or modified by the City.

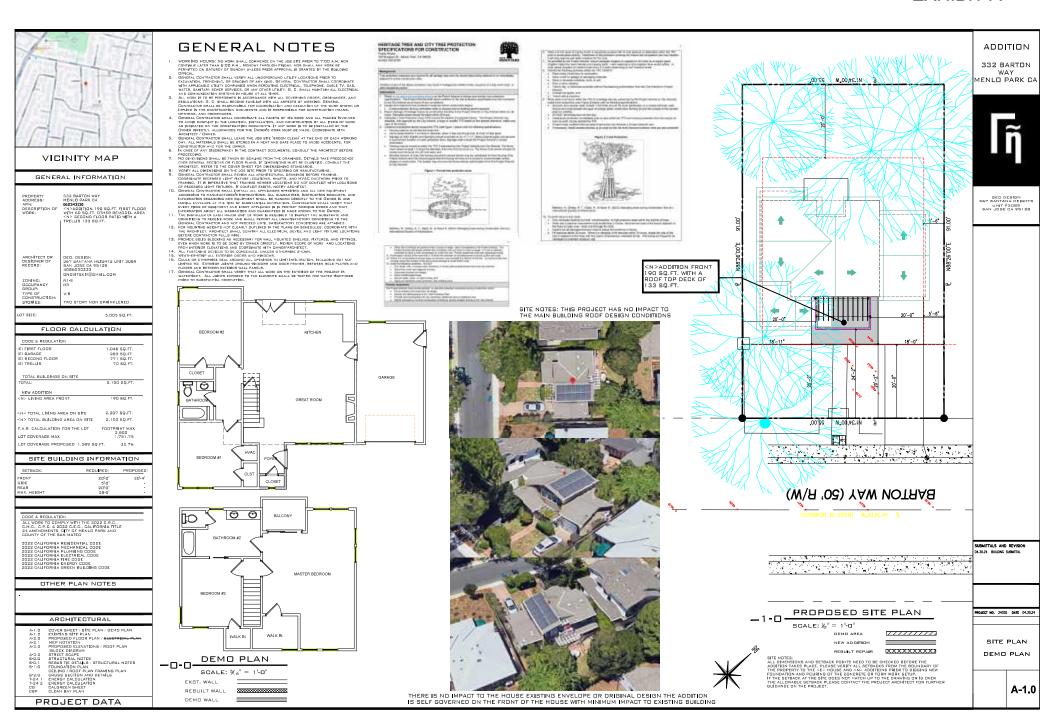
I, Kyle Perata, Assistant Community Development Director of the City of Menlo Park, do hereby certify that the above and foregoing Planning Commission Resolution was duly and regularly passed and adopted at a meeting by said Planning Commission on February 24, 2025, by the following votes:

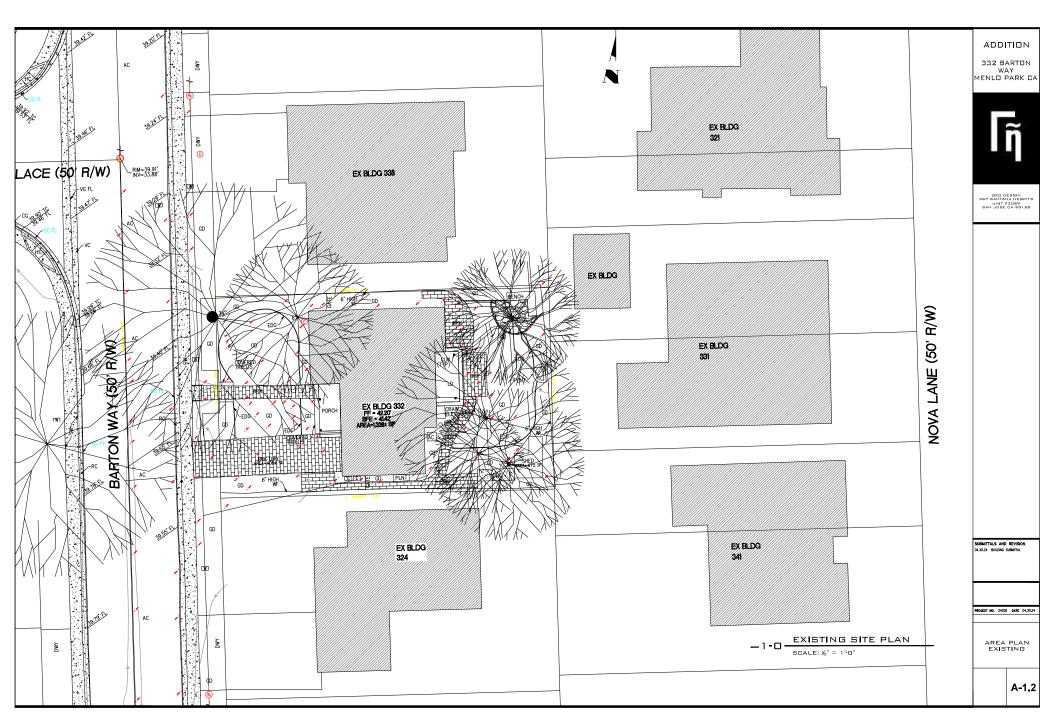
vle Perata
C Liaison Signature
WITNESS THEREOF, I have hereunto set my hand and affixed the Official Seal of id City on thisday of February, 2025.
BSTAIN:
BSENT:
DES:
YES:

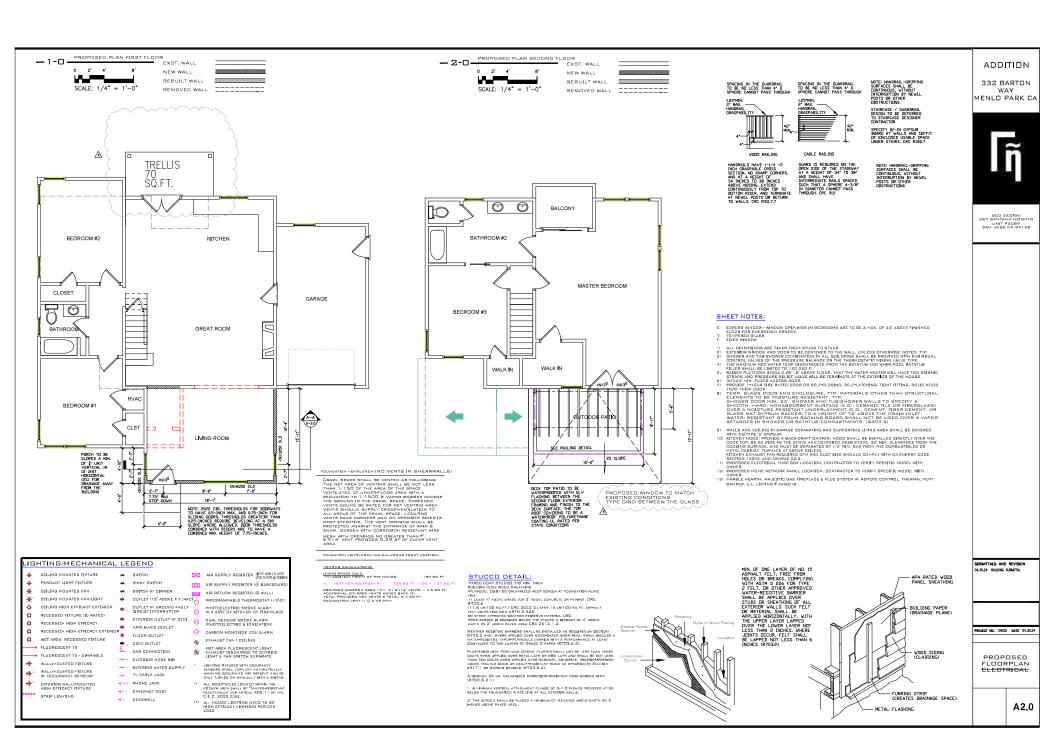
Assistant Community Development Director City of Menlo Park

Exhibits

- A. Project plansB. Project description letterC. Conditions of approval









ADDITION

332 BARTON
WAY
MENLO PARK CA



GEO DESIGN 367 SANTANA HEIGHTS UNIT #3089 SAN JOSE CA 95128

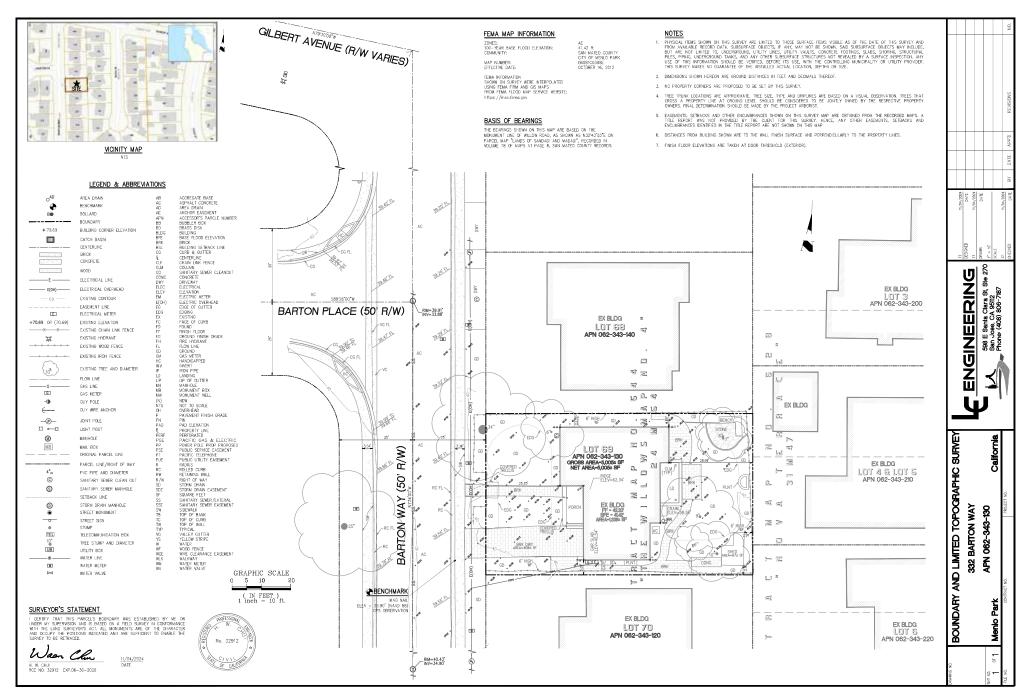
SUBMITTALS AND REVISION 04.30.24 BUILDING SUBMITTAL

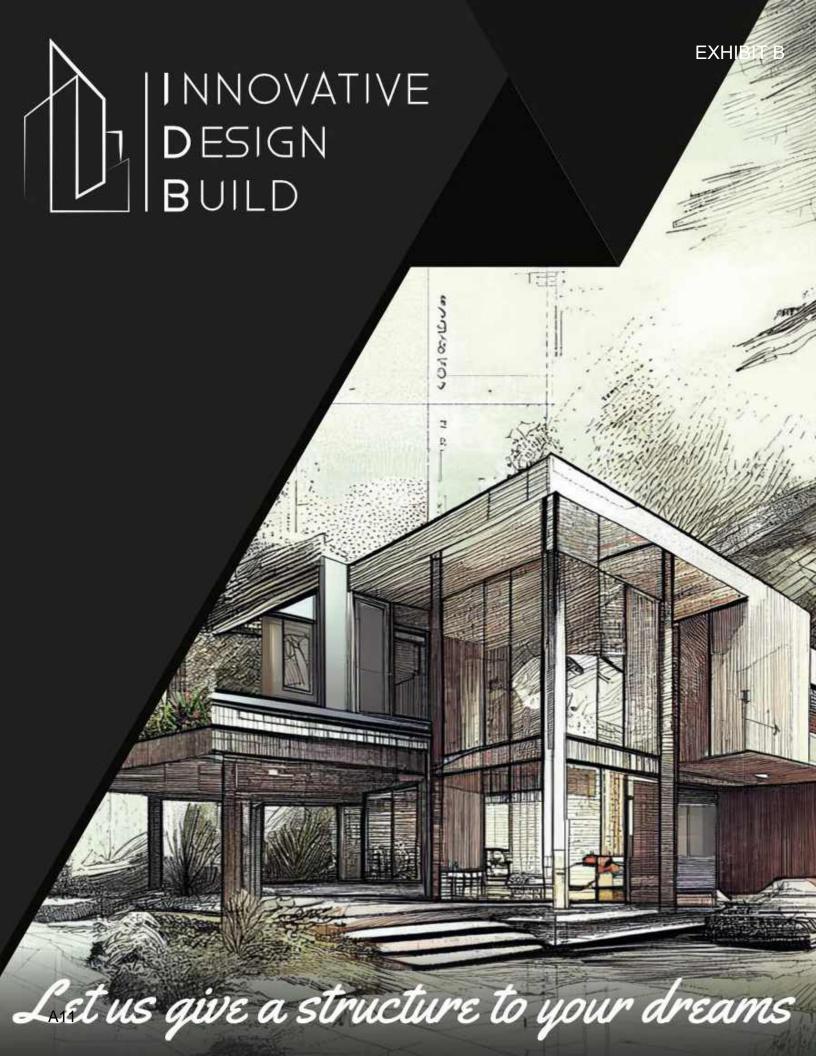
PROJECT NO. 24035 DATE 04.30.24

STREET SCAPE

A3.2









Jordan Ben-Arye 4525 Thousand Oaks Ct San Jose, CA, 95136 Info@idesignbuildca.com (805) 256-8735 07/20/2024

Project address: 332 Barton Way,

Menlo Park, CA 94025

Project Description for 332 Barton Ave, Menlo Park, CA 94025

To Whom It May Concern,

I am writing to provide a detailed description of the proposed project at 332 Barton Ave, Menlo Park, with the aim of seeking approval and cooperation for our plans.

Purpose of the Proposal:

The purpose of this proposal is to extend the living space of the existing property by an additional 190 square feet. This includes a first-floor addition of 190 sqft, along with a 60 sqft remodel of other areas. Additionally, a new second-floor patio featuring a trellis covering 133 sqft is planned, accessible via a sliding door from the master bedroom.

Scope of Work:

The project entails:

- 190 sqft first-floor addition
- 60 sqft remodel of existing areas
- Construction of a new second-floor patio with a trellis covering 133 sqft

Architectural Style, Materials, Colors, and Construction Methods:

Our design and construction will meticulously match the existing architectural style, materials, colors, and construction methods of the current property. This ensures seamless integration and aesthetic harmony with the neighborhood.

Basis for Site Layout:

Attached to this letter are the full set of plans that illustrate the proposed site layout, including all necessary details for a comprehensive understanding of the project.

Existing and Proposed Uses:

The property at 332 Barton Ave is currently utilized as a single-family home. The proposed additions and modifications will serve to enhance the functionality and comfort of the residence while maintaining its residential character.

Outreach to Neighboring Properties:

To ensure transparency and community engagement, we have already undertaken outreach efforts. A letter outlining our proposed project was distributed to neighboring properties, along with contact information should they have any questions or concerns. Despite these efforts, we



did not receive any responses from the neighbors. A copy of this letter is enclosed for your reference.

In conclusion, we are committed to executing this project with utmost care and consideration for the existing property and its surroundings. We seek your approval and support for our proposal and welcome any feedback or suggestions you may have.

Thank you for your attention to this matter. Please feel free to contact me at (805) 256-8735 or lnfo@idesignbuildca.com should you require any further information or wish to discuss this project in more detail.

Sincerely,

Jorden Ben-Arye

Enclosures:

- Full set of plans
- Copy of outreach letter.

Dear Neighbors,

As you may have heard, we are planning a small re-model at our 332 Barton home. We are adding a new room to the front of the house and a balcony above the new room. The room will be approximately 190 sq ft and the balcony above it around 130 sq ft. The construction will not move any structures closer to adjacent neighbors, rather we will be moving forward toward Barton. All work will be done in the front of the house.

The contractor we are using has done work in Menlo Park previously, including some work for other families in the neighborhood. And they will certainly abide by all construction rules, including weekday construction only during permitted hours. The timeline for these types of projects is always hard to anticipate but the current thinking is that it will take 3-5 months for use permit approval which would put us in late Fall. The construction itself is expected to take 4-5 months which would mean a finish next Spring.

Please reach out or swing by with any concerns or questions.

Regards,

Peter and Jo-Ann paylaian@gmail.com jadefuin@hotmail.com

LOCATION: 332 Barton	PROJECT NUMBER:	APPLICANT: Yarden	OWNER: Peter Aylaian
Way	PLN2024-00033	Ben Arye	-

PROJECT CONDITIONS:

- 1. The use permit revision shall be subject to the following **standard** conditions:
 - a. The applicant shall be required to apply for a building permit within one year from the effective date of approval (by March 12, 2026) for the use permit revision to remain in effect.
 - b. Development of the project shall be substantially in conformance with the plans prepared by Geo Design consisting of six plan sheets, dated received February 2, 2025 and approved by the Planning Commission on February 24, 2025, except as modified by the conditions contained herein, subject to review and approval of the Planning Division.
 - c. Prior to building permit issuance, the applicant shall comply with all Sanitary District, Menlo Park Fire Protection District, and utility companies' regulations that are directly applicable to the project.
 - d. Prior to building permit issuance, the applicant shall comply with all requirements of the Building Division, Engineering Division, and Transportation Division that are directly applicable to the project.
 - e. Prior to building permit issuance, the applicant shall submit a plan for any new utility installations or upgrades for review and approval by the Planning, Engineering and Building Divisions. All utility equipment that is installed outside of a building and that cannot be placed underground shall be properly screened by landscaping. The plan shall show exact locations of all meters, back flow prevention devices, transformers, junction boxes, relay boxes, and other equipment boxes.
 - f. Heritage trees in the vicinity of the construction project shall be protected pursuant to the Heritage Tree Ordinance.
 - g. Prior to building permit issuance, the applicant shall pay all fees incurred through staff time spent reviewing the application.
 - h. The applicant or permittee shall defend, indemnify, and hold harmless the City of Menlo Park or its agents, officers, and employees from any claim, action, or proceeding against the City of Menlo Park or its agents, officers, or employees to attack, set aside, void, or annul an approval of the Planning Commission, City Council, Community Development Director, or any other department, committee, or agency of the City concerning a development, variance, permit, or land use approval which action is brought within the time period provided for in any applicable statute; provided, however, that the applicant's or permittee's duty to so defend, indemnify, and hold harmless shall be subject to the City's promptly notifying the applicant or permittee of any said claim, action, or proceeding and the City's full cooperation in the applicant's or permittee's defense of said claims, actions, or proceedings.
 - i. Notice of Fees Protest The applicant may protest any fees, dedications, reservations, or other exactions imposed by the City as part of the approval or as a condition of approval of this development. Per California Government Code 66020, this 90-day protest period has begun as of the date of the approval of this application.

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ATTACHMENT B





City of Menlo Park Location Map 332 Barton Way



Scale: 1:4,000 Drawn By: THR Checked By: KTP Date: 2/6/2025 Sheet: 1

	PROPOSED PROJECT		EXISTING PROJECT		ZONING ORDINANCE			
Lot area	5,005.0 sf		5,005.0	sf		7,500.0	sf min	
Lot width	55.0 ft		55.0	ft		65.0	ft min	
Lot depth	91.0 ft		91.0	ft		100.0	ft min	
Setbacks								
Front	20.1 ft		25.3	ft		20.0	ft min	
Rear	26.1 ft		26.1	ft		20.0	ft min	
Side (left)	4.6 ft		4.6	ft		5.5	ft min	
Side (right)	5.1 ft		5.1	ft		5.5	ft min	
Building coverage	1,656.0 sf		1,540.0	sf		1,751.8	sf max	
	33.1 %		30.8	%		35.0	% max	
FAL (Floor Area Limit)	2,357.0 sf		2,167.0	sf		2,800.0	sf max	
Square footage by floor	1,236.0 sf/1 st		1,046.0	sf/1st				
	771.0 sf/2 nd		771.0	sf/2 nd				
	283.0 sf/garag		283.0	sf/garao				
	70.0 sf/porch		144.0	sf/porch	nes			
	67.0 sf/shed		67.0	sf/shed				
Square footage of buildings 2,427.0 sf		2,311.0 sf			(
	Building height 22.8 ft		22.8 ft		28 ft max			
Parking	1 covered space	е	1 covered space		1 covered and 1 uncovered			
	Notes:					space		
	 Notes: Areas shown highlighted indicate a nonconforming or substandard situation The second-floor FAL should exclude the stair area per the definition of "floor area", and staff asked the designer to edit the calculations accordingly, but they opted to include that area, so it represents a conservative calculation 							
Trees	Heritage trees	1	Non-Heritage t	rees	4	New trees		0
	Heritage trees removed/proposed for removal	0	Non-Heritage to proposed for re	rees	0	Total Numb trees	per of	5

Community Development



STAFF REPORT

Planning Commission Meeting Date: Staff Report Number:

2/24/2025 25-008-PC

Public Hearing:

Consider and adopt a resolution to approve a use permit, architectural control permit and below market rate (BMR) housing agreement for a bonus level development project to construct a new eight story multifamily residential building with up to 112 units located at 3705 Haven Avenue. The project would include 98 market rate units and 14 BMR units. In accordance with State Density Bonus Law (Government Code Section 65915) the proposed project includes modifications to the City zoning requirements through the application of concessions and waivers. Determine this action is exempt from the California Environmental Quality Act under Public Resources Code Section 21083.3 and CEQA Guidelines Section 15183.

Recommendation

Staff recommends that the Planning Commission adopt a resolution to approve a use permit, architectural control permit, and BMR housing agreement to demolish an existing 10,631 square foot single-story commercial building and construct an eight-story multifamily residential building consisting of up to 112 residential units located at 3705 Haven Avenue in the Residential Mixed-Use, Bonus ("R-MU-B") zoning district. The Planning Commission should review and make a determination that the project is exempt from CEQA (Attachment A).

Policy Issues

Each use permit and architectural control request is considered individually. The proposed project requires the Planning Commission to consider the merits of the project, including project consistency with applicable requirements from the City's general plan, municipal code, and other adopted policies and programs. The Planning Commission should consider whether the required use permit and architectural control findings can be made for the proposed project and whether the project complies with requirements under the State Density Bonus Law (SDBL) as well as applicable provisions of the Below Market Rate Housing Program Guidelines (BMR Guidelines) for BMR units. Attachment B documents compliance with the General Plan.

As part of the use permit request for bonus level development, the Planning Commission will also need to consider the applicant's community amenities proposal to develop the project utilizing bonus level development allowances (increased FAR, density, and height) in exchange for community amenities. For the architectural control request, the Planning Commission will need to consider approval of the design of the new building and associated site improvements, including review of the requested concessions and waivers associated with the development pursuant to the SDBL and the BMR Housing Program and Guidelines. The project was submitted under Senate Bill 330 ("SB 330"), which "locks in" development

regulations in place at the time of submittal of a preliminary application. A preliminary application was submitted in May 2022, followed by a development application in November 2022.

The R-MU-B zoning district permits a maximum of 66 units on the project site before accounting for the SDBL. In compliance with the City's BMR Housing Program Ordinance and Guidelines, the applicant is proposing to provide 10 (or 15 percent of the 66 units) BMR units as inclusionary units: seven of the units would be affordable to very-low income households, and three of the units would be affordable to moderate income households. The applicant is also proposing to provide three additional units affordable to very-low income households as part of the project's community amenities proposal and one additional moderate income unit pursuant to the SDBL, discussed in detail later in the report. The project would therefore provide a total of 14 BMR units.

The City prepared the following documents to analyze the proposed project and inform reviews by community members, and the Planning Commission:

- Housing Needs Assessment (HNA), including an analysis of the multiplier effect for indirect and induced employment from the proposed project (Attachment C);
- Community amenities proposal value evaluation(Attachment A Exhibit G); and
- Community Plan Exemption Checklist to determine the proposal would qualify as an infill exemption project (Attachment A Exhibit K), associated appendices so the CPE checklist are included as Attachment A Exhibit L.

The project requires the following actions and approvals:

- Use permit for a bonus level development project,
- Architectural control for the design of the multifamily residential building,
- Heritage tree removal permit to remove three on-site heritage trees,
- BMR Housing Agreement, and
- Environmental review.

The Planning Commission is the final decision-making body on all requested entitlements for the proposed project, unless appealed to the City Council. The applicant's project plans and project description letter including the materials and color boards are included as Attachment A, Exhibits A and B, respectively.

Background

SB 330 and the Housing Accountability Act

The applicant invoked Senate Bill 330 of 2019 ("SB 330") provisions for the project. SB 330 was designed to remove barriers to the development of housing projects. Some key features of SB 330 include shortening the timeframe for housing development project review under the Permit Streamlining Act and limiting the review of a housing development project that complies with all applicable objective general plan, and zoning standards to no more than five hearings. In addition to the five hearing limit, SB 330 establishes a two-step process by which the applicant can "lock in" applicable fees and development regulations. First, the applicant must submit a preliminary application. Then, the applicant has up to 180 days to submit a complete development permit application including, but not limited to, all the required materials necessary to process the permit after the preliminary application. Unless the preliminary application expires, cities are prohibited from adding new fees or raising existing fees beyond automatic annual escalation, and cities are prevented from requiring housing development projects to comply with an ordinance, policy, or standard, including subjective or objective development standards, not in effect when the preliminary application was

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submitted.

While the City can apply subjective standards to a proposed housing development project that do not reduce a project's density, the Housing Accountability Act contains provisions that limit the ability of a city to deny or condition a project that satisfies applicable, objective standards. If a housing development project complies with all applicable objective general plan, zoning ordinance, and subdivision standards and criteria (including design review standards) in effect at the time the application is deemed complete, the City may not deny or impose a condition that the project be developed at a lower density, unless the City makes written findings supported by a preponderance of evidence that there is a specific adverse impact on public health or safety that cannot be satisfactorily mitigated.

Project history

On May 6, 2022, 3705 Haven, LLC (Project Applicant) submitted a preliminary application under SB 330. On September 12, 2022, the City received a development application for a use permit, architectural control permit, heritage tree removal permits, below market rate (BMR) housing agreement, and environmental review for a 99-unit, eight-story multifamily residential building and approximately 1,550 square feet of commercial space. Staff reviewed the development application for compliance with the City's SB 330 Housing Project Application Checklist and determined on October 12, 2022 that the development application was not complete and outlined missing items in a written letter to the applicant. On November 28, 2022, the applicant resubmitted its development application and staff determined on December 23, 2022, that the submittal was complete for purposes of SB 330.

On July 11, 2023 the City Council authorized David J. Powers & Associates, Inc. to analyze the project under the California Environmental Quality Act ("CEQA") and prepare a project-level environmental impact report ("EIR").

The Planning Commission first reviewed the application on December 18, 2023 as part of a study session and a scoping meeting for the EIR. A hyperlink to the December 18, 2023 Planning Commission staff report and meeting minutes are included as Attachment D and E, respectively.

Project updates since the last PC meeting

On March 22, 2024, the applicant submitted revised plans removing the commercial space, and adding 13 units for a total of 112 units. As part of the revised proposal, the applicant reduced the number of standard parking spaces from the initial 99 to 56, and proposed 48 compact parking stalls and requested additional concessions and waivers from City development regulations and design standards. The City and its CEQA consultant evaluated the revised scope and determined that the project would qualify to be evaluated under the Community Plan Exemption ("CPE") from CEQA. The CPE, codified in Public Resources Code Section 21083.3 and CEQA Guidelines Section 15183, helps streamline the environmental review process for projects that are consistent with the land use and density designations in community plans, zoning regulations, or general plan policies that have been analyzed in a certified EIR. The project is consistent with the City's General Plan and the City's zoning designation, which were covered under the ConnectMenlo General Plan Update EIR and the Housing Element Update Subsequent EIR, so any further environmental review would be limited to impacts that are "peculiar" to the project or the project site. The City prepared a CPE checklist to confirm that no such peculiar impacts exist, and determined the project is exempt from additional CEQA review.

Housing Commission recommendation

On February 5, 2025, the Housing Commission reviewed the proposed BMR agreement for consistency with the City's BMR ordinance and BMR guidelines. The Housing Commission discussed a number of

aspects of the proposal and identified some concerns, which area discussed later in the report. Ultimately, the Housing Commission voted 4-1, with Commissioner Onap absent, to recommend approval of the proposed BMR agreement to the Planning Commission. A hyperlink to the February 5, 2025 Housing Commission staff report is included as Attachment F.

Site location

The project site is a 0.66-acre, Residential Mixed-Use, Bonus ("R-MU-B") zoned corner parcel located in the Bayfront area of the City, at 3705 Haven Avenue. For purposes of this staff report, Bayfront Expressway (California State Route 84) is considered to have an east-west orientation, and all compass directions referenced will use this orientation. The project site is located west of the Bayfront Expressway/Marsh Road intersection and north of the Bayshore Freeway (US-101).

More specifically, the project is located at the second bend in the road where Haven Avenue transitions from a north-south (Haven Avenue South) to an east-west (Haven Avenue East) orientation. The parcels to the west of the project site are developed with multifamily residential uses and are located in the R-4-S (AHO) (High Density Residential, Special – Affordable Housing Overlay) zoning district. The adjacent parcel to the north contains a two-story building with professional office uses and the parcel to its north is the site of an approved 163-room hotel (Moxy). Both of these parcels are zoned O-B (Office, Bonus). Parcels south of the project site, across Haven Avenue, are located in the City of Redwood City. The parcel to the east, across Haven Avenue, contains a one-story building occupied by FedEx, zoned as R-MU-B. A location map is included as Attachment G.

Table 1: Surrounding land uses and zoning				
	Existing land uses	Zoning		
North	Office and recently entitled hotel	О-В		
South	Industrial	Industrial restricted (IR)*		
East	Commercial	R-MU-B		
West	Multifamily residential	R-4-S (AHO)		

^{*}Properties south of Haven Avenue are located in the City of Redwood City

Analysis

Project description

The applicant is proposing to demolish an existing 10,361-square-foot single-story commercial building and build an eight-story, 112-unit multifamily rental apartment building, with associated open space, podium parking, and infrastructure improvements, utilizing the City's density bonus allowance, in exchange for community amenities, and benefits pursuant to the SDBL, which include incentives, concessions, and waivers, under Government Code section 65915, subdivisions (d)(2)(C), (e)(1), (f)(2), (p), discussed in detail later in the report.

The project uses the bonus level provisions identified in the Zoning Ordinance and the SDBL. The project proposes a total of 14 BMR units, ten of which would be affordable to very-low income households and four of which would be affordable to moderate income households. This level of affordability allows the project to be eligible for use of SDBL, for up to a 72.5% density increase above the maximum zoning density of 100 du/ac. The project is requesting a 69.7% density bonus to provide 112 units (66 units + 46 bonus units). With the allowed State Density Bonus, the project is eligible for a density of 170 dwelling units per acre (du/acre), compared to the maximum permitted residential density for bonus level developments under the Zoning Ordinance of 100 du/ac.

The project would have a residential floor area ratio (FAR) of approximately 409% to accommodate the additional density, compared to a 225 % maximum FAR permitted for bonus level residential developments under the Zoning Ordinance. The applicant is proposing to provide a total of 56 standard size parking spaces and 48 compact spaces, for a total of 104 parking spaces, consistent with the SDBL but fewer than required by the Zoning Ordinance (please see section on requested concessions and waivers discussion later). In addition, the Zoning Ordinance requires unbundled parking, which means that parking spaces are rented independently of the residential units. The spaces would be available to rent on a first come first serve basis. The applicant's State Density Bonus letter and BMR proposal letter are attached herein as Attachment A, Exhibits C and D, respectively.

Site layout

The proposed eight-story building would include two above-grade levels of parking. The ground floor would include a lobby, and ancillary spaces for tenants and the second level would include parking and six dwelling units. To account for potential flooding and sea level rise (and comply with the City's Zoning Ordinance requirements), the project's main lobby and resident ancillary spaces would be elevated a minimum of 24 inches above the base flood elevation of the site. The building has been designed in a manner to help maximize daylight into the proposed courtyard on level three while promoting unit views and privacy of units.

Steps and a pedestrian ramp at the southeast corner of the building are proposed to bring pedestrians from the sidewalk to the main entrance located on Haven Avenue South. Two staircases on Haven Avenue East would allow additional direct access to the tenants from the street. Two individual driveways would provide access to the two separate garage levels. Residential units would be predominantly located on levels three to eight, with six units on level two. The building would feature a central courtyard with a pool, landscaping and seating areas for building tenants on the third level (on top of the podium), and a roof terrace/deck on levels five and eight. The proposed building complies with the minimum and maximum setbacks permitted at the street frontages, interior side, and rear. The majority of the street façade is located at the property line facing both Haven Avenue South and East.

Unit types and breakdown

The proposed project has five unit types, ranging from studio to three bedroom units of varying sizes. Table 2 below shows the breakdown of unit types and counts and the range of unit sizes.

Table 2: Residential units				
Unit type	Proposed	Unit size range		
Studio	36	508-654 s.f.		
1 bedroom/1bath	49	750-906 s.f.		
2 bedroom/1 bath	3	815-916 s.f.		
2 bedroom/2 bath	23	807-1,177 s.f.		
3 bedroom/2.5 bath	1	1,583 s.f.		
Total	112	N/A		

Development standards

The R-MU-B district allows high density housing and encourages mixed-use development.

Density, floor area ratio (FAR), and gross floor area (GFA)

Table 3 below provides a comparison between the existing and proposed development as it relates to the R-MU-B development standards.

Table 3: Project data						
	Existing	Zoning Ordinance bonus level standards (maximums)*	Additional Density bonus allowance	Zoning Ordinance plus density bonus	Proposed project	
Residential dwelling units	-	66 units	48 units**	114 units	112 units	
Residential square footage	-	64,818 s.f.	-	-	117,781 s.f.	
Residential floor area ratio	-	225%	-	-	409%	
Dwelling units per acre	-	100	-	172.5	170	
Commercial square footage	10,361 s.f.	7,202 s.f.	-	-	0	
Commercial floor area ratio	36%	25%	-	-	-	
Total square footage	10,361 s.f.	72,020 s.f.	-	-	117,781 s.f.	
Total floor area ratio	36%	250%	N/A	N/A	409%	

^{*}This maximum is based on a density of 100 dwelling units per acre

Height

Maximum height allowed by the zoning ordinance is 80 feet, and an average height of 62.5 feet, which includes a ten-foot height increase for properties within the flood zone. As part of the state density bonus allowance the applicant is requesting to exceed both the maximum and average heights. The applicant is proposing a maximum height of approximately 86 feet, and an average height of 71.1 feet. The maximum height does not include roof-mounted equipment, utilities, and parapets used to screen mechanical equipment.

Density and floor area ratio (FAR) bonuses and waivers

Under the SDBL, projects are allowed to request concessions and waivers. Concessions are defined as a reduction in site development standards or modification of zoning ordinance requirements that result in actual, identifiable cost reductions; and waivers are modifications to a development standard that would physically preclude the construction of the project with its proposed density. Based on the project's proposed levels of affordability under the SDBL, the project is allowed three concessions, unlimited development waivers, and parking reductions as specified. The following requested concessions would allow deviations from the Zoning Ordinance, whereas the requested waivers would allow deviations from the physical objective development standards that are part of the requirements of the R-MU-B zoning district. The applicant notes that these concessions and waivers would allow the project to be constructed at the allowable densities without loss of affordable units. Concessions and waivers may only be denied if the city finds that the request (1) results in a health and safety impact based on a conflict with an objective standard; (2) violates state or federal law; or (3) has a significant adverse effect on a historic resource. In addition to the above findings, a concession may also be denied if the request would not result in an actual and identifiable cost savings to the project. The City would bear the burden of proof for the denial. The applicant has provided justification for the requested concessions and waivers in their State Density Bonus letter, which is included as Attachment A Exhibit C.

Concessions

The project is entitled to up to three concessions which result in cost reductions and are not limited to the

^{**} Stackable State Density Bonus Law allows up to 72.5 percent density increase.

physical feasibility of the project. The applicant has requested three concessions.

Adding a new utility pole instead of replacing existing

New discretionary projects in multifamily and commercial districts, are required to provide frontage improvements as part of the development per Menlo Park Municipal Code (MPMC) section 16.45.110(1). Frontage improvements include new curb, gutter, sidewalk, street trees, street lights, and undergrounding of utilities along the project frontage. There are existing overhead lines along the Haven Avenue East project frontage. The applicant would underground the utilities, however will not be replacing an existing utility pole but rather adding a new pole adjacent to the existing pole stating that the replacing the pole would be cost prohibitive. The concession would result in identifiable cost reductions for the proposed project.

Dual-plumbing for future recycled water

MPMC section 16.20.050(3)(D) requires all new buildings to be dual plumbed for the internal use of recycled water for non-potable applications (e.g. toilets, irrigation, etc.). The applicant requests a concession to not dual-plumb the project for use of future recycled water, as there is currently no recycled water available at the project site. The applicant states that dual-plumbing the building would increase the construction cost by hundreds of thousands of dollars, and thus results in an identifiable and actual cost saving to provide housing. Planning staff discussed with the applicant the possibility of using purple pipe in the site irrigation to, at a minimum, allow for the use of future recycled water for irrigation; however, the applicant was not amenable. The applicant has not provided the City with a construction cost estimate for the proposed project, nor the specific cost of dual plumbing. Regardless, dual-plumbing the building, including each residential unit, increases costs to provide housing units.

Below market rate rent cap

The applicant requests an concession to allow rents for the four moderate income BMR units to use the rental amount permitted by the Health and Safety Code section 50053 without being subject to the City's BMR Guideline requirement that BMR rents be equal to or less than thirty percent (30%) of the applicable income limits for extremely low, very low, subsidized low, low and moderate income households adjusted for occupancy, as established from time to time by the HCD for San Mateo County and limited to no more than 75% of comparable market rate rents. The applicant states that removing the restriction of not exceeding the 75% rent cap allows cost saving through increased revenue from the moderate income units, thus reducing the overall cost and facilitating the production of affordable units.

On December 17, 2024, in response to a request for technical assistance submitted by the applicant, the Department of Housing and Community Development ("HCD") sent the City a Letter of Technical Assistance opining that a concession could be used to modify certain provisions of an inclusionary ordinance, including increasing the BMR rent limits to align with those established in state law, unless the City can make one of the three statutory findings of denial. HCD's Letter of Technical Assistance is included as Attachment H.

Staff has determined that the requested concessions would result in identifiable and actual cost savings to provide for affordable housing, and none of the bases to deny the proposed concessions exist.

Waivers

In addition to the requested concessions, the project is entitled to unlimited waivers. The applicant has requested nine waivers, discussed in more detail below.

Increase in FAR

In the R-MU-B district the maximum FAR for bonus level development is 225%. The applicant is requesting

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to increase the FAR to 409%, stating that the additional FAR is required to accommodate the additional allowed unit, and that not granting the waiver would result a loss in ability to maximize to the allowed density bonus limits.

Increase in height

The maximum allowed height for projects in the R-MU-B district is 80 feet and an average height of 62.5 feet, which includes a ten-foot height increase for properties within the flood zone. The applicant is requesting a waiver from the maximum height to develop the proposed project at a height of 86 feet and average height of 71.1 feet. The applicant states that the requested increase in maximum height is required to accommodate the higher density, without the request the project would not be able to provide the proposed 112 units.

Decrease ground floor transparency

MPMC 16.45.120(3) requires 30 percent of the ground floor to be transparent. The applicant is requesting a waiver to reduce the ground floor glazing to 29 percent along Haven Avenue South and 22 percent along Haven Avenue East frontages. The applicant states without the waiver the proposal would need to redesign to have bicycle parking on the second level along with some utility rooms which would replace the six residential units proposed on the second floor. This waiver request is necessary to allow the project to be constructed at the density proposed.

Decrease ground floor height

MPMC 16.45.120(3) requires a minimum ground floor height of 10 feet for residential use. As mentioned previously the applicant is requesting a waiver to increase the overall height of the project to 86 feet. Decreasing the ground floor height from the required 10 feet to no less than eight and a half feet allows the project to not exceed the maximum proposed height of 86 feet and keep the project height closer to the Zoning Ordinance requirement.

Reduce number of parking stalls and modifications to parking stall size

MPMC 16.45.080 requires a minimum of one parking space per unit, or 112 spaces for the project. The applicant is proposing to reduce the parking to 56 compliant spaces (0.5 space per unit). In addition to the 56 compliant parking spaces, the applicant is also proposing 46 compact spaces. These spaces would not meet the City's Parking Stalls and Driveway Design Guidelines as the dimensions would be reduced from the required 8.5 feet by 16.5 feet (compliant dimensions) to 7.5 feet by 15 feet. Without the waiver, the project would need to reduce number of units to make room for an additional 56 compliant parking spaces.

Modifications to BMR unit size

The applicant is requesting modifications to BMR Guidelines Section 5.1 and MPMC 16.96.060, which require that the affordable units generally be of the same proportionate size (number of bedrooms and square footage) as the market-rate units and that the BMR units should be distributed throughout the development. The proposed BMR units would be smaller than the average market rate unit size, resulting in different interior layouts and smaller living rooms to accommodate the proposed density. The BMR bedroom unit mix is proportionate and the BMR units are generally spread out throughout the project, with the exception of levels seven and eight which would not include any BMR units. Absent the waiver, the project would not be able to provide as many units.

Minor modulations

MPMC 16.45.120(2) requires minor modulations on the building facade(s) facing publicly accessible spaces

(streets, open space, and paseos), with a minimum recess of 5 feet wide by 5 feet deep per 50 feet of facade length. While the project provides minor modulations along the Haven Avenue frontages, it does not meet the every 50 feet requirement. Additionally, no modulations are proposed along the interior left and rear sides, which face the publicly accessible open space.

Private and common open space per unit

MPMC 16.45.120(4)(C) requires residential developments to incorporate a minimum of common open space and private open space per unit. This open space can be incorporated into the general open space for the project but cannot include the publicly accessible open space. While the project would meet the minimum general open space and publicly accessible open space requirements, it would not meet the minimum required open space per unit. The proposed project provides private open space for at least 70 of the 112 units, but only 19 of the units include private open space that meets the minimum dimensions and minimum square footage requirements. The proposed combination of private and common open space would not meet the minimum open space requirement for the units. The applicant is seeking a waiver to allow for reduction in the amount of private and common open space in order to accommodate units at the proposed density and size. Absent the waiver, the project would not be able to provide as many units and at the sizes proposed.

Staff has evaluated the requested waivers and believes the waivers are necessary to allow the proposed project to incorporate the density bonus units.

Design standards (MPMC 16.45.120)

In the R-MU-B zoning district, all new construction must meet specific design standards subject to architectural control review. The design standards regulate the sitting and placement of buildings, landscaping, parking, and other features in relation to the street; building mass, bulk, size, and vertical building planes; ground floor exterior facades of buildings; open space, including publicly accessible open space; development of paseos to enhance pedestrian and bicycle connections between parcels and public streets in the vicinity; building design, materials, screening, and rooflines; and site access and parking. The proposed project would comply with all objective design standards from the Zoning Ordinance, with the exception to modifications requested through the aforementioned waivers. Summary of the proposed project's compliance with the design standards, is included as Attachment I.

Architectural style and building design

The project description letter indicates that the proposed residential building would be designed in a contemporary architectural style, incorporating both solid elements and glass windows along the majority of the street facing façades. The facades would predominantly consist of cement plaster, fiber cement panels in varying colors, large format fiber cement panels, corrugated metal panels, metal guardrails and aluminum clad siding. Balconies and terraces would have metal railings. Building massing would include flat roofs with exception to a peaked/sloped roofline along Haven Avenue East. Additionally, the massing of the building would contain visual hierarchies of subset volumes that break down the overall mass of the building with decks and setbacks at the upper levels. The applicant indicates the main building entrance would be highlighted along the street with landscaping and lighting. To account for potential flooding and sea level rise (and in compliance with the City's Zoning Ordinance requirements), the main lobbies and residential ancillary uses would be elevated at least 24 inches above the base flood elevation of the site.

The architectural scale of the building contains several elements that enhance the pedestrian experience while minimizing perceived scale and mass. At the ground floor, the project would provide recessed areas with planting and at the entrances along Haven Avenue South. The building would have a distinct break for the elevated courtyard on level three, at the center of the building along the east facing Haven Avenue facade.

Building mass and scale, ground floor transparency, and building design

Attachment I provides a summary of the proposed project's compliance with the design standards related to building mass and scale and ground floor transparency, as required by the Zoning Ordinance bonus level development regulations. The project has demonstrated compliance with all applicable plans, programs, policies, ordinances, standards, and requirements. However, the percentage of stucco for the building facades exceeds the 50 percent limitation, but the project has been deemed consistent with this standard under subdivision (j) of Government Code Section 65589.5 (the Housing Accountability Act, or the "HAA"), because the exceedance was not identified as being inconsistent. The project would include various materials and modulations on each façade that enhance the contemporary architectural style and provide a visually interesting architectural design.

Open space, trees, and landscaping

The proposed project would be required to provide open space equivalent to 25 percent of the project site area. Additionally, the zoning ordinance requires 25 percent of the required open space to be publicly accessible. Open space may be provided in private open spaces, such as patios and balconies, or in common open spaces, such as common barbecue areas. The project exceeds the minimum open space requirements of 7,202 square feet, which includes approximately 4,670 square feet of publicly accessible open space, 6,094 square feet of common open space, and 2,928 square feet as private open space (balconies) for a total of 13,692 square feet, equivalent to 47.5% of the project site.

Publicly accessible open space

According to the Zoning Ordinance (Section 16.45.120(4)(A)):

Publicly accessible open space consists of areas unobstructed by fully enclosed structures with a mixture of landscaping and hardscape that provides seating and places to rest, places for gathering, passive and/or active recreation, pedestrian circulation, or other similar use as determined by the planning commission. Publicly accessible open space types include, but are not limited to, paseos, plazas, forecourts and entryways, and outdoor dining areas. Publicly accessible open space must:

- (i) Contain site furnishings, art, or landscaping;
- (ii) Be on the ground floor or podium level:
- (iii) Be at least partially visible from a public right-of-way such as a street or paseo;
- (iv) Have a direct, accessible pedestrian connection to a public right-of-way or easement.

The minimum open space required for the proposed project is 7,202 square feet, of which a minimum of 1,800.5 square feet would need to be publicly accessible and meet the requirements stated above. The applicant has submitted a plan set that documents compliance with the open space requirements. The applicant is proposing 13,692 square feet of open space for the development, of which 4,670 square feet would be publicly accessible. Publicly accessible open space will be located towards the north and west sides of the proposed building, accessible from Haven Avenue (South and East). The space would include a pathway furnished with seating benches and landscaping. The open space would wrap around the building and connect Haven Avenue South and East, providing an alternate pedestrian connection through the site instead of along the public right-of-way. The amount of publicly accessible open space meets the objective standards; however, it does not appear to be clearly identifiable to community members given the locations of the entries and narrow pathway design around the building.

Common and private open space

The minimum requirement for private or common open space in the R-MU-B zoning district is 100 square feet per unit or a minimum of 80 square feet of private open space per unit, where the private open space

must have a minimum dimension of at least six feet by six feet. If the project includes a mix of private and common open space, it may provide common open space at a ratio of 1.25 square feet of common open space per square foot of private open space that is not provided. The proposed project includes a mix of private and common open spaces for the tenants; 70 units would have a private balcony (upper-floor units) and 19 of these balconies would meet the minimum dimension and square footage requirements of the zoning ordinance; which are counted towards the minimum open space requirement for the project.

The building would incorporate a combination of private balconies and terraces. Common open spaces would be available to tenants and guests, but would not be accessible to the public. A courtyard with a swimming pool is proposed on the third floor and roof decks are proposed on the fifth and eighth floors. The project includes 2,928 square feet of private open space (within 19 balconies) that meets the minimum size and dimension requirements, and 6,094 square feet of common open space, for a total of 9,022 square feet of private and common open space. This would be 1,446 square feet short of the minimum requirement for combined private and common open space per unit. The applicant has requested a waiver to reduce the amount of common and private open space required for 112 dwelling units.

Trees and landscaping

The applicant has submitted an arborist report (Attachment A Exhibit J) detailing the species, size, and conditions of the significant trees on or near the site. The report determines the present condition, discusses the impacts of the proposed improvements, and provides recommendations for tree preservation. All recommendations identified in the arborist report were reviewed by the City Arborist and would be ensured through condition 1.aaa and 2.n.

The project site has 13 trees and 4 stumps. The project includes the removal of 13 trees, three of which are heritage trees. The applicant submitted heritage tree removal permit applications, which show the replanting plan, along with appraised valuation of the proposed heritage tree removals. The heritage tree replacements would be required to meet the City's Heritage Tree ordinance in place at the time the SB 330 application was filed for the proposed project, which grants tree removals based specific removal criteria, identifies the appraised valuation for heritage trees proposed for removal and value of the replacements. The monetary value of the replacement trees must be at least equal to the appraised value of the heritage tree. The appraised value of the three heritage tree for the project totals \$37,700.

The project would plant a total of 11 replacement trees (one silver leaf linden, six African fern pine, and four Saratoga laurel trees) to compensate for the removal of the three heritage trees. The value of these 11 trees results in a shortfall of \$20,000 as compared with the value of the heritage trees to be removed; accordingly, the project would be subject to a condition of approval to pay an in-lieu fee for this remaining balance (condition 2.u). The City Arborist has conditionally approved the three heritage tree removals. Additionally, twenty-three new trees would be located on the podium courtyard (level three) and rooftop decks on level five and eight. The City Arborist has conditionally approved the Heritage Tree Removal (HTR) permit pursuant to Criteria 5 of the decision-making criteria for tree removals (MPMC Section 13.24.050) because the trees interfere with the proposed development. The HTR permits were noticed and no appeals filed. Table 4 below summarizes the trees identified in the arborist report for removal.

	Table 4: Proposed tree removals						
Tree number Species Size (DBH, in Disposition Notes					Notes		
	1	Callery pear	11.5	Non-Heritage	Remove		
	2	Callery pear	9.1	Non-Heritage	Remove		

3	Stump	0	-	Removed
4	Callery pear	10	Non-Heritage	Remove
5	Callery pear	7	Non-Heritage	Remove
6	Callery pear	10	Non-Heritage	Remove
7	Japanese maple	6.9	Non-Heritage	Remove
8	Eucalyptus	24	Heritage	Remove
9*	Crape Myrtle	2.5	Non-Heritage	Remove
10	Stump	25	Heritage	Removed
11	Stump	22.9	Heritage	Removed
12	Stump	27	Heritage	Removed
13*	Linden	2	Non-Heritage	Remove
14**	Coast live oak	20.5	Heritage	Remove
15	Coast live oak	23.7	Heritage	Remove
16	Coast redwood	14.4	Non-Heritage	Remove
17	Zelkova	5	Non-Heritage	Remove

^{*} Street tree

Site circulation, parking, and transportation demand management

Site access and circulation

The project site is a corner lot accessed from both Haven Avenue South and East with direct pedestrian and vehicular access into the multifamily apartment building. Haven Avenue South provides direct access to the building garage, which provides access to the ground level parking, while Haven Avenue East provides direct garage access to the second level parking. Parking stalls from 1 to 50 are on the ground floor and stalls from 51 to 104 are on the second level.

There would be a publicly accessible open space providing pedestrian access between the Haven Avenue South and East frontages. As part of the proposed project, new sidewalk and other street frontage improvements such as curb, gutter, new asphalt, street trees, landscaping, and planting buffers (including green infrastructure), would be provided along Haven Avenue, as required by the City's Public Works Department.

Vehicular and bicycle parking

The proposed building would include a total of 104 vehicular parking stalls of which 56 would be considered compliant in size, with 48 additional compact spaces. The Zoning Ordinance requires parking within multifamily residential developments to be unbundled from the price of a unit (unless parking is physically connected to one unit). The following table provides a more detailed overview of the proposed parking for the project:

Table 5: Parking requirements				
Proposed Zoning Ordinance standards				
Compliant parking stalls	56*	min. 112 and max. 168		
Compact parking stalls	48	N/A		
Residential parking ratio (spaces/dwelling unit)	0.5*	min. 1 and max. 1.5 spaces per unit		
Total parking proposed	104	N/A		

^{**}Tree fell during the March 2024 storm

*Compliant parking stalls are stalls that meet the City's Parking Stalls and Driveway Design Guidelines, dimensioned 8.5 feet by 16.5 feet for 90 degree parking spaces.

Transportation demand management

The proposed project is required to prepare a transportation demand management (TDM) report. TDM is a combination of services, incentives, facilities, and actions that reduce single-occupant vehicle (SOV) trips to help relieve traffic congestion, parking demand, and air pollution problems. The purpose of TDM is to promote more efficient utilization of existing transportation facilities, and to ensure that new developments are designed to maximize the potential for sustainable transportation usage. The Zoning Ordinance requires a minimum 20 percent trip reduction from standard Institute of Transportation Engineer's (ITE) trip generation rates, which are monitored annually. All recommendations identified in the TDM would be ensured through condition 2.z.

The City is also subject to the City/County Association of Governments of San Mateo County (C/CAG) requirements that went into effect on January 1, 2022, which requires a 35% trip reduction for the project. C/CAG regulates regional issues, such as transportation and air quality within San Mateo County. Transportation demand management (TDM) within the County is part of C/CAG's purview and therefore, projects that qualify as "large residential project" are required to comply with C/CAG TDM requirements to reduce daily trips by 35%, which can be achieved through a combination of TDM measures. Multifamily residential projects generating more than 500 average daily trips are considered to be large projects. The applicant has submitted a TDM plan (Attachment A Exhibit N) demonstrating that the project would reduce associated vehicle trips by 60%. C/CAG requires residential projects to participate in a transit subsidy program as a required element of an applicant's TDM plan. The minimum subsidy is 30% of the cost of a monthly transit pass or \$50, whichever is less. The applicant indicates that they would offer passes. The efficacy of the TDM plan was analyzed through the environmental review process and was found to meet the trip reduction targets required by the Zoning Ordinance and C/CAG. Periodic monitoring of the TDM plan per C/CAG's requirements would be ensured through condition 2.aa.

Pedestrian and bicycle circulation

Residential uses in the R-MU-B zoning district require 1.5 long-term bicycle parking spaces per unit plus an additional 10 percent short-term spaces for guests. The following table provides an overview of the proposed bike parking for the project:

Table 6: Bicycle parking requirements					
Proposed Zoning Ordinance standards					
Residential long term bike parking	168	168 (1.5 per unit)			
Short term bike parking	17	17 (10% of the total required)			
Total parking 189		185			

The short-term bicycle parking would be located at the southeast corner of the property, within fifty feet from the lobby/main entrance. The long-term bike parking would be conveniently located on the first level near the lobby area. The bike parking would be fully enclosed, protected against theft and inclement weather as required by the zoning ordinance.

Level of service (LOS) or roadway congestion improvements

While no longer a CEQA threshold of significance, the City's transportation impact analysis (TIA) Guidelines require that the TIA analyze LOS for local planning purposes. The TIA is included as Attachment A Exhibit M. The study intersection was selected using the City's TIA Guidelines. The LOS analysis determines whether the project traffic would cause an intersection LOS to be potentially noncompliant with local policy if it degrades the LOS operational level or increases delay under near term and cumulative conditions. The LOS and delay thresholds vary depending on the street classifications as well as whether the intersection is

on a State route or not. The following thresholds are from the City's TIA Guidelines:

- A project is considered potentially noncompliant with local policies if the addition of project traffic causes
 an intersection on a collector street operating at LOS "A" through "C" to operate at an unacceptable level
 (LOS "D," "E" or "F") or have an increase of 23 seconds or greater in average vehicle delay, whichever
 comes first. Potential noncompliance shall also include a project that causes an intersection on arterial
 streets or local approaches to State controlled signalized intersections operating at LOS "A" through "D"
 to operate at an unacceptable level (LOS "E" or "F") or have an increase of 23 seconds or greater in
 average vehicle delay, whichever comes first.
- A project is also considered potentially noncompliant if the addition of project traffic causes an increase
 of more than 0.8 seconds of average delay to vehicles on all critical movements for intersections
 operating at a near-term LOS "D" through "F" for collector streets and at a near-term LOS "E" or "F" for
 arterial streets. For local approaches to State controlled signalized intersections, a project is considered
 to be potentially noncompliant if the addition of project traffic causes an increase of more than 0.8
 seconds of delay to vehicles on the most critical movements for intersections operating at a near-term
 LOS "E" or "F."

Where deficiencies are identified, the TIA Guidelines require consideration of improvement measures. Any such improvement measures could be imposed on the project as conditions of approval to ensure the general health, safety and welfare of the community, provided the measures do not decrease the residential density or induce vehicle miles traveled (VMT), which would be in conflict with the requirements of CEQA. The proposed project was evaluated for intersection level changes caused both in the Near Term (2027) and near-term plus project conditions as part of the project TIA. The TIA concluded that the project would have limited effects to the intersection of Bayfront Expressway/Haven Avenue and Marsh Road, which would continue to operate at an acceptable level (LOS D or better), and therefore no roadway improvement measures would be necessary.

Green and sustainable building regulations

In the R-MU zoning district, projects are required to meet green and sustainable building regulations. Accordingly, the proposed building would:

- Meet 100 percent of its energy demand through any combination of on-site energy generation, purchase of 100 percent renewable electricity; and/or purchase of certified renewable energy credits;
- Be designed to meet LEED (Leadership in Energy and Environmental Design) Gold BD+C (Building Design + Construction);
- Comply with the City's adopted electric vehicle (EV) charger requirements;
- Meet water use efficiency requirements;
- Locate the finished floor of the proposed building minimum 24 inches above the Federal Emergency Management Agency (FEMA) base flood elevation (BFE) to account for sea level rise; and
- Plan for waste management during the demolition, construction, and occupancy phases of the project (including the preparation of the required documentation of zero waste plans).

The project would comply with the bird friendly design requirements. All external non-emergency lighting on the apartment building, landscaping, common recreational spaces, and pathways would be required to automatically shut off between the hours of 10 p.m. and sunrise. Additionally, the project would be designed to meet the City's sea level rise and hazard mitigation requirements. The applicant has submitted preliminary documentation that the proposed project would achieve LEED Gold certification (Attachment J). Staff would verify project compliance with all zoning ordinance green and sustainability requirements during the building permit review process.

Below market rate (BMR) Ordinance and Guidelines

The applicant is required to comply with the City's BMR Ordinance and BMR Guidelines adopted by the City Council. Projects in the R-MU-B zoning district are required to integrate on-site inclusionary affordable housing units as part of the project, unless otherwise approved by the City Council. For developments of 20 or more units, the City's BMR Ordinance requires 15 percent of the total number of proposed units under the City's density allowance (i.e., before application of the SDBL) to be provided at below market rate to very-low, low-, and moderate-income households, consistent with the BMR Guidelines. The BMR Ordinance requires the applicant to submit a BMR housing proposal for review by the Housing Commission. The applicant's State Density Bonus letter and BMR proposal letter are attached as Attachment A Exhibits C and D, respectively.

The R-MU-B zoning permits a maximum of 66 units on the project site before accounting for the SDBL. To comply with the City's BMR Housing Program, the applicant is proposing 15 percent of the 66 units, i.e., 10 units, to be set aside as BMR units for seven very-low income households and three moderate income households. These units are generally referred to as BMR units or inclusionary units. The project also includes three additional units affordable to very-low income households as a community amenity, and one additional unit affordable to a moderate income household for the purposes of the requested density bonus under SDBL. The three community amenity units and one state density bonus unit are in addition to the required 10 inclusionary units, and all 14 units are collectively referred to as BMR rental units. The inclusionary and community amenity BMR units are subject to the City's BMR Guidelines except as modified through the project's reliance on the SDBL. Accordingly, the project proposes a total of 14 BMR units, ten of which would be affordable to very-low income households and four of which would be affordable to moderate income households. This level of affordability allows the project to be eligible for a total of a 72.5 percent density increase above the maximum zoning density of 100 du/ac. The project is requesting a 69.7 percent density bonus to provide 112 units (66 units + 46 bonus units). All BMR units (inclusive of ten very-low and four moderate-income households) will be addressed in a single BMR agreement.

Table 7 provides a breakdown of the maximum allowed dwelling units per acre, proposed units, and associated BMR units.

Table 7: Allowable number of units and BMR units						
R-MU Base R-MU Bonus State Density Bonus Project Proposa						
Dwelling units per acre	30	100	173	170		
Number of dwelling units allowed	20	66	114	112		
Total number of BMR units 3 10			14*	14*		

^{*} Inclusionary BMR units and additional BMR contribution

Table 8 below provides a breakdown of the unit type and size of the BMR units for the project.

		Table	8: Unit break	down			
Unit type	Average unit size sq. ft.	Average unit size sq. ft.	Average BMR unit size sq. ft.	Total unit count by type	Very Low BMR count	Moderate BMR count	Market rate unit count
Studio	586	594	534	36	3	2	31
One-bedroom	802	809	755	49	5	1	43

Two-bedroom	999	1,008	924	26	2	1	23
Three-bedroom	1,583	1,583	N/A	1	0	0	1
Total Units	-	-	-	112	10	4	98

As shown on the proposed elevations, the exterior of the BMR units would be indistinguishable from those of the market-rate units with the same architectural style. However, the applicant has requested a development waiver to allow the BMR units to be smaller than the market-rate units as allowed by SDBL. Section 5.1 of the BMR Guidelines state the BMR units should be distributed throughout the development. The BMR units are generally distributed throughout the development, but there is not a BMR unit proposed on each floor of the project. The floor plans identify which of the units within the apartment building would be initially designated as BMR units, no BMR units are proposed for the top two levels (floors seven and eight). The BMR units may float thereafter based on availability.

Table 9 below shows the initial distribution of the total 14 BMR units, unit type, location in the building and those that are proposed as community amenity.

Table 9: Initial BMR rental unit location						
Unit type	BMR category	Floor				
Studio	Very-Low	2				
One-Bedroom	Very-Low	2				
Two-Bedroom	Very-Low	2*				
Studio	Very-Low	3				
One-Bedroom	Very-Low	3				
Two-Bedroom	Very-Low	3*				
Studio	Very-Low	4				
One-Bedroom	Very-Low	4				
Two-Bedroom	Moderate	4				
Studio	Moderate	5				
One-Bedroom	Very-Low	5*				
One-bedroom	Very-Low	5				
Studio	Moderate	6				
One-bedroom	Moderate	6				

^{*}Includes units to fulfill the community amenities requirements of the project.

Housing Commission review and recommendation

The project's BMR proposal and draft BMR agreement were reviewed by the Housing Commission at its February 5, 2025 meeting. The Commission discussed the details of the proposed agreement, and expressed concerns that the proposed parking ratio and the City's unbundled parking requirement would limit access to parking for the below market rate tenants, and more specifically how it could affect the affordability of the very-low income units. Additionally, the Commission raised concerns with the project's SDBL concession to charge affordable rents using the limits established in the Health and Safety Code, which may exceed 75% of market rents in the four moderate income units. The City's BMR Guidelines limit the rent of BMR units to not exceed 30% of the income limit, and in no case shall it exceed the 75% of comparable market rate rents, which could be less than the rent limits allowed by the Health and Safety Code.

The Housing Commission recommended approval to the Planning Commission of the draft BMR agreement to provide 14 BMR units as part of the proposed project. The applicant's BMR proposal is included as Attachment A Exhibit D and a draft BMR housing agreement is included as Attachment A Exhibit E. The

Housing Commission's motion included three amendments in addition to its recommendation that the Planning Commission approve the BMR agreement. First, the Housing Commission's recommendation was made notwithstanding the fact that the Commission was concerned that Health and Safety Code rent limits might not provide the depth of affordability necessary to meet the City's BMR needs. Separate from this project, the Housing Commission is interested in exploring City efforts to promote deeper affordability in future projects. Second, the Housing Commission directed the applicant and staff to explore whether shared off-site parking options may be available in the project vicinity should demand for parking exceed the amount provided on-site. During this discussion, the applicant stated they have reached out to neighboring property owners to explore parking availability, and staff will continue to monitor whether unmet parking demand affects compliance with the project's obligations under the BMR agreement throughout project operation. Third and finally, the Housing Commission asked that staff consider whether parking should be considered an "amenity" that is charged in addition to rent or a "utility," which is a cost included in rent. Given the terms of the City's unbundled parking requirements, which requires project operators to charge for parking spaces separately from rent in the R-MU-B zoning district, the City confirmed that parking is an amenity. This is consistent with State policy; for example, the Legislature recently found that "the imposition of mandatory parking minimums can increase the cost of housing, limit the number of available units, lead to an oversupply of parking spaces, and increased greenhouse gas emissions." (See Assembly Bill 2097 (2022, Friedman.) To help reduce the cost of housing and increase the amount of site area available for housing people - rather than parking cars - the City's applicable policies require parking to be treated as an amenity in the context of the project.

The Planning Commission should consider the Housing Commission's recommendation on the BMR proposal, inclusive of the requested concessions and waivers.

Community amenities

Bonus level development is allowed in exchange for the provision of community amenities. Community amenities are intended to address identified community needs that result from the effect of the increased development intensity on the surrounding community. The Zoning Ordinance identifies several mechanisms for providing amenities, including selecting an amenity from the Council-approved list as part of the proposed project, providing an amenity not on the approved list through a development agreement, or through the payment of an in-lieu fee. Project requirements (such as the publicly accessible open space, and street improvements determined by the Public Works Director) do not count as community amenities. The value of the amenity to be provided must equal a minimum of 50 percent of the fair market value of the additional GFA of the bonus level development.

As part of the ConnectMenlo process, a list of community amenities was generated based on robust public input and adopted by resolution of the City Council (Attachment A Exhibit I). On July 11, 2023 the City Council adopted a revised list based on work from the City Council community amenities subcommittee. On August 15, 2023 the City Council adopted updated appraisal instructions to clarify definitions and appraisal criteria, and also adopted community amenity implementing regulations to standardize the application procedures, appraisal review process and determination of the value of the bonus level development. The project's preliminary application was submitted before either action took effect. Thus, the applicant has a vested right to proceed under the standards in place at the time the preliminary application was submitted under SB 330, or may elect to opt-in to the newly-adopted regulations. The applicant decided to utilize the previous appraisal instructions, previous community amenities list, and not utilize the adopted community amenity implementing regulations.

The process under the previous appraisal instructions for determining the required value of the community amenities begins with an appraisal process. The applicant provides, at their expense, an appraisal

performed by a licensed appraisal firm consistent with the City's appraisal instructions. Once the Community Development Director approves the appraisal based on the peer review or peer appraisal identifying the required community amenity value, the applicant will then provide the City with a proposal identifying the proposed community amenity and providing an explanation of the amenity value. City staff then hires a professional economic consultant to peer review the proposal and determine the adequacy of the amenity to satisfy the required value, and work with the applicant to make necessary modifications to the proposal to meet the requirements of the ordinance.

The appraisal provided by the applicant is based on the 66 units and does not include the SDBL units, has been peer reviewed by the City's appraiser and the value was determined to be \$2,100,000. The applicant submitted an updated community amenities proposal on January 17, 2025 (Attachment A Exhibit G) which proposes three rental BMR units affordable to very-low income households. The City has engaged its consultant BAE Urban Economics to review the community amenities proposal, to determine the value of the affordable units to ensure the proposed three BMR units would meet the minimum required community amenities value. BAE found that the value of the proposed community amenity is approximately \$3,840,117, or \$1.7 million more than the required \$2.1 million value. The analysis is attached as Attachment A Exhibit H.

Correspondence

Before the City determined the project to be exempt under the CPE, held a NOP. The City received a total of four comments from various agencies - California Geological Survey, Sequoia Audubon Society, Sequoia Union High School District and Department of Fish and Wildlife. Substantive issues were addressed in the CPE, and the project would not result in any peculiar impacts. No further correspondences were received by the City.

As of the publication of this report, staff has received one letter of support regarding the project, included as Attachment K. The applicant states in their project description letter that they invited adjacent neighbors to virtual meetings held on November 23 and December 22, 2022.

Conclusion

The proposal would generally comply with the requirements of the Zoning Ordinance with regard to the overall project design/style and application of the R-MU-B zoning district standards, except for the requested concessions and waivers pursuant to the provisions of the SDBL. The proposed siting of the building would accommodate the proposed density. Granting of waivers from the development regulations would allow the proposed project to be developed at the proposed density allowed under SDBL, while providing enough floor area ratio and height to accommodate the additional density. The proposed project would add rental housing units to the City, and redevelop an existing underutilized industrial site. The project would provide a positive pedestrian experience through public, common, and private open spaces throughout the project site. New trees would add greenery to the site. The proposed project BMR housing proposal provides ten inclusionary rental units, seven very-low and three moderate-income units, with a variety of sizes to meet different needs of the community. The project's community amenities proposal exceeds the minimum required value. Staff believes that providing three additional rental BMR units affordable to very-low-income households complies with the community amenities requirements for the proposed project and furthers the affordable housing available in the City. The project would further the goals and policies of the General Plan and Housing Element by providing affordable units for lower-income households and would be an important project to help the City reach its RHNA obligations, such as Housing Element Policy H4.2 Housing to address local housing needs, H4.3 Variety of housing choices, and H4.11 Inclusionary housing approach. More detailed analysis of general plan consistency is included in Attachment B. Staff believes that the proposal would produce a visually refined architectural style and the

podium parking would have a positive impact on the overall character of the site development, with parking concealed from public view. Therefore, staff recommends that the Planning Commission approve the use permit, architectural control permit, and BMR Housing Agreement.

Impact on City Resources

The project sponsor is required to pay Planning, Building, and Public Works permit fees, based on the City's Master Fee Schedule, to fully cover the cost of staff time spent on the review of the proposed project. The project sponsor is also required to fully cover the cost of work by consultants performing environmental review and additional analyses to evaluate potential impacts of the project.

Environmental Review

The project is exempt from the California Environmental Quality Act (CEQA) Guidelines under the Community Plan Exemption ("CPE") (Pub. Res. Code § 21083.3 and CEQA Guidelines 15183). The CPE, codified in Public Resources Code Section 21083.3 and CEQA Guidelines Section 15183, helps streamline the environmental review process for projects that are consistent with the land use and density designations in community plans, zoning regulations, or general plan policies that have been analyzed in a certified EIR. The project is consistent with ConnectMenlo (the City's General Plan Update) and the City's zoning designation, which were covered under the ConnectMenlo EIR and the Housing Element Update Subsequent EIR, so any further environmental review would be limited to impacts that are "peculiar" to the project or the project site. The City prepared a CPE checklist to confirm that no such peculiar impacts exist, and determined the project is exempt from additional CEQA review. The CPE checklist, with appendices, is included as Attachment A Exhibit K and L, respectively.

The project would be required to comply with applicable mitigation measures from the ConnectMenlo program-level Environmental Impact Report (EIR) Mitigation Monitoring and Reporting Program (MMRP) (Attachment A, Exhibit O) and with the applicable mitigation measures of the 2023-2031 Housing Element Update Subsequent EIR MMRP (Attachment A, Exhibit P). Implementation of applicable mitigation measures is included as Condition 2.r.

Public Notice

Public notification was achieved by posting the agenda, with the agenda items being listed, at least 72 hours prior to the meeting. Public notification also consisted of publishing a notice in the local newspaper and notification by mail of owners and occupants within a 300-foot radius of the subject property.

Appeal Period

The Planning Commission action on the use permit, architectural control permit, and BMR agreement will be effective after 15 days unless the action is appealed to the City Council, in which case the outcome of the application shall be determined by the City Council.

Attachments

A. Planning Commission Resolution Adopting Findings for project Use Permit, Architectural Control, Below Market Rate agreement, and approval of the Community Amenities Proposal including project Conditions of Approval

Exhibits to Attachment A

- A. Hyperlink Project Plans: https://menlopark.gov/files/sharedassets/public/v/1/community-development/documents/projects/under-review/3705-haven-ave/3705-haven-project-plans 0162025.pdf
- B. Hyperlink Project Description Letter: 3705-haven-project-description-letter_02202025.pdf
- C. Hyperlink State Density Bonus Letter Including Requested Concession and Waivers: https://menlopark.gov/files/sharedassets/public/v/1/community-development/documents/projects/under-review/3705-haven-ave/3705-haven-sdblletter_02202025.pdf
- D. Hyperlink Project Below Market Rate Proposal: https://menlopark.gov/files/sharedassets/public/v/1/communitydevelopment/documents/projects/under-review/3705-haven-ave/3705-haven-bmr-proposalletter 02202025.pdf
- E. Draft Below Market Rate Housing Agreement with 3705 Haven LLC
- F. Hyperlink Applicant's Community Amenities Appraisal: https://menlopark.gov/files/sharedassets/public/v/2/community-development/documents/projects/under-review/3705-haven-ave/3705-haven-amenity-appraisal 02202025.pdf
- G. Hyperlink Applicant's Community Amenities Proposal: https://menlopark.gov/files/sharedassets/public/v/1/community-development/documents/projects/under-review/3705-haven-ave/3705-haven-community-amenity-proposal.pdf
- H. Hyperlink BAE's Evaluation of the Project Community Amenities Proposal: https://menlopark.gov/files/sharedassets/public/v/1/community-development/documents/projects/under-review/3705-haven-ave/3705-haven-community-amenity-proposal-evaluation.pdf
- I. Hyperlink 2016 City Council Approved Community Amenities List: https://menlopark.gov/files/sharedassets/public/v/1/community-development/documents/6360-fb-community-amenities_201906111131255112.pdf
- J. Project Arborist Report
- K. Hyperlink Community Plan Exemption Checklist: https://menlopark.gov/files/sharedassets/public/v/3/community-development/documents/projects/under-review/3705-haven-ave/final-cpe-3705-haven_0252025.pdf
- L. Hyperlink Appendices To The Community Plan Exemption: https://menlopark.gov/files/sharedassets/public/v/1/community-development/documents/projects/under-review/3705-haven-ave/3705-haven-ave-appendices.pdf
- M. Hyperlink Transportation Impact Analysis (TIA): 3705-haven-ave-appendices#page=2148.pdf
- N. Hyperlink Traffic Demand Management (TDM): 3705-haven-ave-appendices#page=2366.pdf
- O. Hyperlink ConnectMenlo Mitigation Monitoring and Reporting Program (MMRP): https://menlopark.gov/files/sharedassets/public/v/1/community-development/documents/6356-connect-menlo-ceqa.pdf
- P. Hyperlink 2023-2031 Cycle Housing Element Update Subsequent EIR Mitigation Monitoring and Reporting Program: https://menlopark.gov/files/sharedassets/public/v/1/community-development/documents/projects/housing-element-update/202301-he-mitigationmonitoring-and-reporting-program.pdf
- Q. Conditions of Approval
- B. Project Compliance With Applicable General Plan Goals, Policies, And Programs
- C. Hyperlink Project Housing Needs Assessment (HNA):
- D. Hyperlink Planning Commission Staff Report For December 18, 2023 Meeting: https://menlopark.gov/files/sharedassets/public/v/2/agendas-and-minutes/planning-commission/2023-

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meetings/agendas/20231218-planning-commission-agenda-packet-compressed.pdf

- E. Hyperlink Excerpt Minutes Of The December 18, 2023 Planning Commission Meeting: https://menlopark.gov/files/sharedassets/public/v/1/agendas-and-minutes/planning-commission/2023-meetings/minutes/20231218-pc-approved-minutes.pdf
- F. Hyperlink Housing Commission Staff Report: https://menlopark.gov/files/sharedassets/public/v/1/agendas-and-minutes/housing-commission/2025-meetings/agendas/20250107-housing-commission-special-meeting-agenda.pdf
- G. Location Map
- H. HCD's Letter of Technical Assistance
- I. Project Compliance With Design Standards Pursuant To The Zoning Ordinance
- J. Preliminary LEED Gold Documentation Checklist
- K. Letter of Support

Report prepared by: Fahteen Khan, Associate Planner

Report Reviewed by: Corinna Sandmeier, Principal Planner Eric Philips, Legal Counsel

PLANNING COMMISSION RESOLUTION NO. 2025-XXX

RESOLUTION OF THE PLANNING COMMISSION OF THE CITY OF MENLO PARK APPROVING USE PERMIT, ARCHITECTURAL CONTROL PERMIT, AND BELOW MARKET RATE (BMR) HOUSING AGREEMENTFOR A BONUS LEVEL DEVELOPMENT PROJECT TO CONSTRUCT A NEW EIGHT-STORY RESIDENTIAL APARTMENT BUILDING WITH 112 UNITS LOCATED AT 3705 HAVEN AVENUE AND FINDING THAT APPROVAL OF THE PROJECT IS EXEMPT FROM THE CALIFORNIA ENVIRONMENTAL QUALITY ACT.

WHEREAS, the City of Menlo Park ("City") received an application requesting a use permit, architectural control permit, and below market rate (BMR) housing agreement to demolish an existing 10,631 square foot single-story commercial building, and construct an eight-story apartment building consisting of 112 residential units from Ruby Huang ("Applicant"), on behalf of 3705 Haven LLC ("Owner") located at 3705 Haven Avenue (APN 055-170-240) ("Project") in the Residential Mixed-Use, Bonus ("R-MU-B") zoning district. The Project is depicted in and subject to the development plans and project description letter, which are attached hereto as Exhibit A and Exhibit B, respectively, and incorporated herein by this reference; and

WHEREAS, the proposed Project is located in the R-MU-B (Residential Mixed Use-Bonus) zoning district. The R-MU-B zoning district encourages a mixture of land uses with the purposes of providing high density housing to complement nearby employment, promoting a live/work/play environment with pedestrian activity, and blending with and complementing existing neighborhoods through site regulations and design standards that minimize impacts to adjacent uses; and

WHEREAS, the bonus level provisions identified in the City's Zoning Ordinance allow a development to seek an increase in floor area ratio (FAR), density (dwelling units per acre), and/or height subject to approval of a use permit and the provision of community amenities equal to a minimum of 50 percent of the fair market value of the increased development potential and the applicant has submitted a community amenities proposal in compliance with the required minimum value; and

WHEREAS, the proposed Project generally complies with all applicable objective standards of the City's Zoning Ordinance, including design standards, green and sustainable building standards, and is consistent with the City's General Plan goals, policies, and programs with the exception of modifications requested through waivers; and

WHEREAS, the maximum allowed density in the R-MU-B zone is 100 dwelling units per acre and the maximum number of units allowed by the zoning ordinance on the Project site is 66 units; and

WHEREAS, the proposed Project would be developed with an increase in FAR, height, and density pursuant to both City's bonus level development allowances, and State Density Bonus; and

WHEREAS, the Applicant submitted a letter attached hereto as Exhibit C which details the applicability of State Density Bonus Law (SDBL), outlines requested waivers from development standards and cost-reducing concessions, and proposes a density bonus commensurate in size with the Project's affordability contribution; and

WHEREAS, as allowed by the State Density Bonus Law and City's Below Market Rate (BMR) Ordinance, the proposed Project is eligible for three concessions and unlimited waivers; and

WHEREAS, the Project is subject to the Below Market Rate Housing Ordinance ("BMR Ordinance") and is required to comply with the Below Market Rate Housing Guidelines ("BMR Guidelines") to ensure proper implementation of the BMR Ordinance; and

WHEREAS, pursuant to the requirements of Sections 16.45.060 and 16.96.020 of the City of Menlo Park Municipal Code and the City's Below Market Rate ("BMR") Housing Program, the applicant submitted a BMR proposal that would provide 10 inclusionary rental units (15 percent of total proposed 66 multi-family apartment units before State Density Bonus), three additional inclusionary rental units to fulfill the community amenities obligation for the proposed Project, and an additional rental unit to be eligible for State Density Bonus, for a total of 14 BMR units, as described in the Applicant's BMR proposal letter attached hereto as Exhibit D; and

WHEREAS, the Housing Commission reviewed the draft Below Market Rate Housing Agreement ("BMR Agreement"), attached hereto as Exhibit E at its February 5, 2025 regular meeting and found the draft BMR Agreement to be in conformance with the applicable BMR Guidelines as modified pursuant to State Density Bonus Law, and recommended approval of the draft BMR Agreement to the Planning Commission; and

WHEREAS, the Project is eligible for additional housing units subject to Government Code Section 65915 and relevant amendments ("State Density Bonus Law") by providing on-site Below Market Rate housing units ("BMR Units"), which allows additional density to be included in the Project; and

WHEREAS, under State Density Bonus Law, the Project is entitled to an 72.5% increase in allowed density for the proposed Project; and

WHEREAS, the Applicant proposes to increase the Project density by 69.7% for a total of 112 units; and

WHEREAS, the Project would consist of 66 units and 46 state density bonus units, 14 (10 very-low and three moderate income units) of which would be affordable; and

WHEREAS, State Density Bonus Law allows for applicants to request waivers from applicable development standards in order to achieve the permitted density under the law; and

WHEREAS, the Applicant has requested waivers from the R-MU-B zoning district development regulations and standards to increase the maximum floor area ratio (FAR), height, reduce the ground floor height requirement, reduce the ground floor transparency requirement, reduce the minimum number of parking spaces and modify parking stall dimension requirements, allow smaller BMR units, deviate from building modulation and private open space requirements; and

WHEREAS, State Density Bonus Law allows for applicants to request concessions that provide actual and identifiable cost reductions to the provision of affordable housing; and

WHEREAS, the Applicant is entitled to three concessions under State Density Bonus Law; and

WHEREAS, the Applicant is claiming three concessions: 1) to not replace an existing utility pole, 2) not dual-plumb the Project building for internal and external use of recycled water and 3) to allow rents for inclusionary BMR Program Units (seven very-low income and three moderate income) and community amenity (three very-low income) to exceed the City's rent cap limiting BMR rents to 75 percent of market rents, up to the rental amount permitted by the Health and Safety Code section 50053; and

WHEREAS, the Applicant has demonstrated in writing, attached hereto as Exhibit C, that application of the listed development standards would preclude development of the proposed Project at the allowed density, and that the requested concessions would result in actual and identifiable cost reductions for the provision of affordable housing; and

WHEREAS, the City has reviewed the justification and has deemed the waivers and concessions appropriate for the proposed Project in order to accommodate the proposed density; and

WHEREAS, the proposed Project would was deemed compliant with all other applicable standards of the R-MU-B zoning district pursuant to State Density waiver requests; and

WHEREAS, Section 16.45.070 of the City of Menlo Park Municipal Code requires that bonus level projects that are developed at a greater level of intensity with an increase in density, FAR, and/or height shall provide one or more community amenities to address the needs that result from the effect of the increased development. The value of the community amenities to be provided shall be equal to 50 percent of the fair market value of the additional gross floor area of the bonus level development; and

WHEREAS, the Applicant submitted an appraisal of bonus level development, prepared by Newmark Valuation & Advisory dated July 8, 2024 incorporated herein as Exhibit F, and pursuant to the requirements of Section 16.45.070 of the City of Menlo Park Municipal Code, the City commissioned R. Blum and Associates to evaluate the appraisal provided by the Applicant to determine the value of the Project's community amenities contribution. The appraisal determined the Project's community amenities obligation would amount to \$2,100,000. The Community Development Director determined that the appraisal was created pursuant to the City's guidelines and approved the appraisal; and

WHEREAS, on January 17, 2025, the applicant submitted the community amenities proposal, incorporated herein as Exhibit G, that provides three rental units affordable to very-low-income households; and

WHEREAS, the City commissioned BAE urban economics to evaluate the community amenities proposal, incorporated herein as Exhibit H, and subsequently determined that the value of the proposed three very-low-income rental units, at \$3,840,117 or \$1.7 million greater than the community amenities obligation and is therefore consistent with the Zoning Ordinance requirements; and

WHEREAS, because the community amenity proposal exceeds 50 percent of the fair market value of the bonus level development, the community amenities proposal meets the minimum requirements of the Zoning Ordinance and City-council adopted community amenities list in effect at the time of the submittal of the preliminary SB 330 application (attached hereto as Exhibit I); and

WHEREAS, the Applicant submitted an arborist report, attached hereto as Exhibit J, prepared by Aesculus Arboricultural Consulting, which was reviewed by the City Arborist and found to be in compliance with the Heritage Tree Ordinance, and proposes mitigation measures to adequately protect heritage trees to remain in the vicinity of the Project; and

WHEREAS, the Applicant was conditionally granted a Heritage Tree Removal permit ("HTR permit") to remove three heritage trees from the property; and

WHEREAS, the HTR permit was not appealed and the Applicant is required to provide replacement trees on-site equal to the value of the removed heritage trees and/or pay an in-lieu fee as a condition of approval; and

WHEREAS, the Applicant has included a landscape plan which includes replacement trees, which the City Arborist determined would provide a portion of the replacement value of the heritage tree removals; and

WHEREAS, the Applicant would pay the remaining heritage tree replacement value of \$20,000 as an in lieu fee; and

WHEREAS, development of the proposed Project would help implement the Housing Element Update ("HEU") and would further the City's progress towards meeting its obligations under the Regional Housing Needs Allocation ("RHNA"); and

WHEREAS, the Project requires discretionary actions by the City as summarized above, and therefore the California Environmental Quality Act ("CEQA," Public Resources Code Section §21000 et seq.) and CEQA Guidelines (Cal. Code of Regulations, Title 14, §15000 et seq.) require analysis and a determination regarding the Project's environmental impacts; and

WHEREAS, the City is the lead agency, as defined by CEQA and the CEQA Guidelines, and is therefore responsible for the preparation, consideration, certification, and approval of environmental documents for the proposed Project; and

WHEREAS, on December 6, 2016, the City certified a program-level environmental impact report (EIR) for updates to the City's General Plan (collectively ConnectMenlo, SCH# 2015062054), which included a Mitigation Monitoring and Reporting Program (MMRP) to mitigate environmental impacts anticipated by the updated General Plan; and

WHEREAS, on January 31, 2023 the City certified a Subsequent EIR for the 2023-2031 Housing Element update (SCH# 2015062054), which includes additional MMRP measures applicable to housing projects; and

WHEREAS, CEQA provides that when a project that is consistent with a community plan (including the General Plan) for which and EIR has been certified, the project shall be exempt from subsequent CEQA review except to the extent that the project would result significant environmental impacts that are peculiar to the project or the project site, pursuant to Public Resources Code § 21083.3 and Cal. Code of Regulations, Title 14, §15183 et seq. (together, the Community Plan Exemption); and

WHEREAS, the City conducted independent review of technical documentation provided by the Applicant and prepared a Community Plan Exemption ("CPE") checklist and its associated appendices that documents that the Project would not result in any peculiar impacts as compared with the impacts already analyzed and mitigated in the EIR for ConnectMenlo and the Subsequent EIR for the Housing Element update, which supports the conclusion that the Project is exempt from further CEQA review under the Community Plan Exemption. The City's findings and technical documentation provided by the Applicant and peer reviewed by the City's CEQA consultant is attached hereto as Exhibit K and L; and

WHEREAS, the City prepared a transportation impact analysis (TIA), attached hereto as Exhibit M, that incorporated the Project transportation demand management (TDM) plan attached hereto as Exhibit N; and

WHEREAS, the TIA did not identify any project induced level of service (LOS) effects; and

WHEREAS, the proposed Project would be required to comply with applicable mitigation measures included in the ConnectMenlo MMRP and the 2023-2031 Housing Element Subsequent EIR MMRP, attached hereto as Exhibits O and P, respectively; and

WHEREAS, all required public notices and public hearings were duly given and held according to law; and

WHEREAS, at a duly and properly noticed public hearing held on February 24, 2025, the Planning Commission fully reviewed, considered, and evaluated the whole of the record including all public and written comments, pertinent information, documents and plans, prior to taking action regarding the Project.

NOW, THEREFORE, THE MENLO PARK PLANNING COMMISSION HEREBY RESOLVES AS FOLLOWS:

Section 1. Recitals. The Planning Commission has considered the full record before it, which may include but is not limited to such things as the staff report, public testimony, and other materials and evidence submitted or provided, and the Planning Commission finds the foregoing recitals are true and correct, and they are hereby incorporated by reference into this Resolution.

Section 2. Community Amenities. The Planning Commission of the City of Menlo Park ("City") hereby approves the community amenities proposal as part of the use permit for bonus level development attached hereto as Exhibit G, subject to conditions, attached hereto and incorporated herein by this reference as Exhibit Q, for the Project. The Planning Commission hereby resolves:

- 1. Pursuant to Chapter 16.45, Section 16.45.070 of the City's Municipal Code and with Menlo Park City Council Resolution No. 6360 (the City Council adopted Community Amenities List), public interest and convenience requires projects that are developed at a greater level of intensity with an increase in density, FAR, and/or height shall provide one or more community amenities to address the needs that result from the effect of the increased development. The value of the community amenities to be provided shall be equal to 50 percent of the fair market value of the additional gross floor area of the bonus level development which has been determined to be \$2,100,000.
- 2. The City of Menlo Park hereby approves the applicant's community amenities proposal to provide three rental apartment units affordable to very-low-income households at a value of \$3,840,117 which would be \$1.7 million above the project community amenities value per the appraisal pursuant to the evaluation undertaken by the City's consultant BAE urban economics.

Section 3. Conditional Use Permit Findings. The Planning Commission of the City of Menlo Park does hereby make the following Findings:

The approval of the use permit to demolish an existing 10,631 square foot single-story commercial building and construct a bonus level development project, consisting of an eight-story apartment building with up to 112 residential units, 14 of which would be affordable units, on a R-MU-B zoned property is granted based on the following findings, which are made pursuant to Menlo Park Municipal Code Section 16.82.030:

- 1. That the establishment, maintenance, or operation of the use applied for will, under the circumstance of the particular case, not be detrimental to the health, safety, morals, comfort and general welfare of the persons residing in the neighborhood of such proposed use, or injurious or detrimental to property and improvements in the neighborhood or the general welfare of the city because:
 - a. Consideration and due regard were given to the nature and condition of all adjacent uses and structures, and to general plans for the area in question and surrounding areas, and impact of the application hereon; in that, the proposed

use permit is consistent with the R-MU-B zoning district and the General Plan because bonus level developments are allowed to be constructed subject to granting of a use permit and provided that the proposed Project conforms to applicable zoning standards, including, but not limited to, minimum setbacks, minimum landscaping, and maximum building coverage. The proposed Project is designed in a manner consistent with the goals, policies, and objectives of ConnectMenlo and applicable Zoning Ordinance requirements. Specifically, the proposed Project would be an infill project that would be compatible with the surrounding uses. The building would redevelop the Project site currently occupied with an older commercial building and locate new multifamily residential apartment building on an underutilized property, and the redevelopment would be undertaken at the bonus level of development in exchange for on-site community amenities. The proposed Project includes onsite open space, parking, and the proposed building adheres to the design standards set forth by the Zoning Ordinance and therefore, the Project would be consistent with ConnectMenlo. Compliance with the Zoning Ordinance (with the exception of certain standards waived under State Density Bonus Law, and consistency with ConnectMenlo, would ensure that the Project would not be detrimental to the health, safety, and welfare of the surrounding community. The Project is subject to mitigation measures and conditions of approval that ensure that all existing adjoining structures are appropriately protected during and after construction and the heritage tree removals would be replaced based on the appraised valuation for heritage tree removals and replacements. Moreover, the proposed Project is designed with appropriate ingress and egress and sufficient on-site bicycle, and vehicular parking (even after accounting for the concessions to reduce the parking stall size under SDBL); and therefore, will not have a detrimental impact on the surrounding areas. The proposed Project advances the General Plan, specifically the 2023-2031 Housing Element update, by creating additional housing opportunities for lower income residents and development of the proposed Project would help the City meet its RHNA.

b. The proposed Project is designed to meet all the applicable codes and ordinances of the City of Menlo Park Municipal Code and staff believes the proposed Project would not be detrimental to the health, safety, and welfare of the surrounding community due to the architectural design of the building and the compliance with the Zoning Ordinance design standards and the architectural review process. The proposed Project is consistent with the goals and policies established by the Connect/Menlo General Plan and would result in a project that embodies the live/work/play vision of ConnectMenlo and the R-MU zoning district. Specifically, the proposed Project would contain a residential building designed to be compatible with surrounding uses, and would locate residential uses in vicinity of business uses. The proposed Project is designed with vehicular and bicycle parking, as well as public, common open spaces, that would meet the requirements of publically accessible open space outlined in the Zoning Ordinance and provides pedestrian access across the site connecting two public rights-of-way. The

Project includes 14 BMR rental housing units, and on-site amenities to serve the future residents of the Project. Pursuant to State Density Bonus Law the Project requests concessions. Additionally, pursuant to the State Density Bonus Law, the Project is requesting nine waivers from various development standards granting of which would allow the Project to develop at the allowable density. The Project is designed with appropriate ingress and egress and off-site improvements such as landscaping, street lighting, sidewalks, and green infrastructure. The Project's Community Plan Exemption checklist determined that the Project is exempt from CEQA. Therefore, the proposed Project would not be detrimental to the health, safety, morals, comfort, and general welfare of the persons residing or working in the neighborhood.

- c. The Project is subject to State Density Bonus Law, which allows applicants to request waivers from applicable development standards in order to achieve the allowed density with allowable density bonus. The Applicant has requested waivers to increase the maximum floor area ratio (FAR), height, reduce the ground floor height requirement, reduce the ground floor transparency requirement, reduce the minimum number of parking spaces and modify parking stall dimension requirements, allow smaller BMR units, and deviate from building modulation requirements. The City has determined that strict enforcement of these development standards would preclude the Project from achieving the proposed density as proposed by the Applicant, and none of the circumstances that would allow for denial of proposed waivers are present here. Therefore, the Planning Commission approves the requested waivers.
- d. State Density Bonus Law allows for concessions intended to reduce the cost of providing affordable housing. The Applicant has proposed concessions to not replace an existing utility pole, not dual-plumb the multi-family building for internal and external use of recycled water, and to allow rents for inclusionary BMR Program Units (seven very-low income and three moderate income) and community amenity (three very-low income) to exceed the City's BMR rent limit of no more than 75 percent of comparable market rate rent, up to the rental amount permitted by the Health and Safety Code section 50053. The City has determined that granting of these concessions would result in identifiable cost savings for the Project, and none of the circumstances that would allow for denial of proposed concessions are present here. Therefore, the Planning Commission approves the requested concessions.
- e. The proposed Project would provide 56 covered parking spaces that meet the City's minimum dimensions of its adopted Parking Stalls and Driveway Design Guidelines. The proposed Project would include 48 compact parking spaces with minimum dimensions of 7.5 by 15, which would be usable but the City does not consider in the minimum parking calculation. Per State Density Bonus Law, projects are allowed a reduction in parking. Given the proposed Project's Transportation Demand Management plan and the total combination of standard

- and compact parking stalls, the Planning Commission finds that the proposed Project provides adequate parking.
- f. The proposed Project is designed to meet all the applicable codes and ordinances of the City of Menlo Park Municipal Code, with the exception of certain standards modified under State Density Bonus Law. The proposed Project was reviewed by the Building Division, Engineering Division, Transportation Division, and Menlo Park Fire Protection District and was found to meet all applicable standards with regard to site access for private vehicles and emergency vehicles, and the Commission concludes that the Project would not be detrimental to the health, safety, and welfare of the surrounding community as the housing development project would be located in a multifamily zoning district.

Section 4. Architectural Control Permit Findings. The approval of the Project is granted based on the following findings which are made pursuant to Menlo Park Municipal Code Section 16.68.020:

- 1. That the general appearance of the structure is in keeping with the character of the neighborhood; in that, the Project is designed in a contemporary architectural style consistent with modern residential development designs, and in the general character of other residential developments in and around the Project site. The materials and forms of the proposed buildings would provide modulations and articulations along the façades of the building, and would provide visually interesting building facades. The Project would comply with building height and stepback entrances, and garage entrance requirements, and has requested waivers to increase FAR and height, reduce the ground height and ground floor transparency requirement, reduce the number of parking stalls, reduce parking stall size, modification to BMR units size and deviate from building modulation and private open space requirements. Waivers and concessions notwithstanding, compliance with the Zoning Ordinance would further the goals and policies of the General Plan for residential design and compatible buildings with surrounding land uses while providing affordable housing.
- 2. That the development will not be detrimental to the harmonious and orderly growth of the City; in that, the Project is consistent with the R-MU-B zoning district and State Density Bonus Law. The Project would create a new 112-unit development (including 14 below market rate units). The Project's design is generally consistent with all applicable requirements of the City of Menlo Park Municipal Code, subject to modifications requested under State Density Bonus Law. The proposed Project is consistent with the new development and population growth envisioned by the General Plan. Moreover, the proposed Project is designed in a manner that is consistent with the existing and future development in the area. The Project is designed with appropriate ingress and egress and appropriate number of bicycle parking on-site to serve the residents and guests. The Project would provide a publicly accessible open space that would connect Haven Avenue South and East, and would also provide a pedestrian connection across the site connecting two public rights-of-way consistent with the land use and circulation element

- goals and policies of the General Plan. Therefore, the Project will not be detrimental to the harmonious and orderly growth of the city.
- 3. That the development will not impair the desirability of investment or occupation in the neighborhood; in that, the Project would create new housing opportunities, including 14 new housing units offered at below market rate. The proposed materials and colors used will be compatible with other developments in the surrounding area. The proposed Project is designed in a manner consistent with all applicable codes and ordinances, as well as the General Plan goals and policies, with allowed modification pursuant to the State Density Bonus Law. The proposed Project contributes to the available affordable housing in the area and provides community amenities to serve the adjoining neighborhood and businesses. The proposed Project would redevelop an underutilized site. The proposed Project contributes towards providing for-rent units in the area, adding to the availability and variety of housing stock to households with various needs at different income levels. The Project would comply with the replacement requirements of the Heritage Tree Removal permit that was conditionally approved by the City Arborist, and provide ground level open space to enhance the pedestrian experience in the area.
- 4. That the development would provide 56 compliant parking spaces consistent with State Density Bonus Law but fewer than required by the Zoning Ordinance. In addition, 46 compact spaces would also be provided and the Project has made adequate provisions for access to such parking.
- 5. That the development is consistent with any applicable specific plan; in that, the Project is located in the Bayfront Area which is not subject to any specific plan. However, the Project is consistent with the all the applicable goals, policies, and programs of the General Plan, including the 6th Cycle Housing Element Update. The Project is consistent with all applicable codes, ordinances, and requirements outlined in the City of Menlo Park Municipal Code in addition to concessions and waivers pursuant to State Density Bonus Law.

Section 5. Below Market Rate Housing Agreement. The BMR Housing Agreement satisfies the requirements of Chapter 16.96 of the City's Municipal Code and the applicable BMR Housing Guidelines. The Project would include 10 units available to households earning up to 50% area median income, and four units available to households earning between 80% to 120% area median income. The BMR Housing Agreement between the Applicant and the City would be applicable to all 14 BMR units, which include the 15 percent of the 66 maximum units of the zoning district (before SDBL allowances) for a total of 10 units, also known as inclusionary units, three community amenities unit and one unit pursuant to the State Density Bonus Law. In addition to the 10 inclusionary units, three community amenities units would be offered to residents meeting the preference criteria of the City's BMR Guidelines, while the remaining one unit would be rented to income eligible households of the Applicant's choosing and as allowed under State Density Bonus Law.

Section 6. Architectural Control Permit, Use Permit, and BMR Housing Agreement. The Planning Commission approves Architectural Control Permit, Use Permit, and BMR Housing agreement No. PLN2022-00048, which are depicted in and subject to the development plans and Project

description letter, and related documents which are attached hereto and incorporated herein by this reference as Exhibits A through Exhibit Q The Planning Commission hereby directs the City Manager to execute the BMR Housing Agreement on behalf of the City. The Use Permit, Architectural Control Permit, and BMR Housing Agreement are conditioned in conformance with the conditions attached hereto and incorporated herein by this reference as Exhibit Q.

Section 7. ENVIRONMENTAL REVIEW. The Planning Commission makes the following findings, based on its independent judgment after considering the Project, and having reviewed and taken into consideration all written and oral information submitted in this matter, including the Community Plan Exemption checklist prepared by David J. Powers & Associates, Inc.:

- 1. The Project is exempt from environmental review pursuant to Public Resources Code § 21083.3 and Cal. Code of Regulations, Title 14, §15183 et seq. (Community Plan Exemption) because it satisfies the following conditions:
 - a. The Project is consistent with the applicable general plan designation and all applicable general plan policies as well as with applicable zoning designation and regulations. The Project would be consistent with the Mixed-Use Residential General Plan land use designation and the applicable R-MU-B zoning standards and applicable waivers per State Density Bonus Law because the Project would comply with the allowed density, FAR, landscaping requirements, height, and parking requirements in the R-MU-B district, with the exception of requested waivers and concessions.
 - b. The Project would not result in any impacts peculiar to the Project or the Project site, as demonstrated by the analysis within the Community Plan Exemption checklist.
- The Project is conditioned to comply with applicable mitigation measures included in the ConnectMenlo EIR MMRP and the 2023-2031 Housing Element Subsequent EIR MMRP attached hereto as Exhibits O and P, respectively.

Section 8. SEVERABILITY

If any term, provision, or portion of these findings or the application of these findings to a particular situation is held by a court to be invalid, void or unenforceable, the remaining provisions of these findings, or their application to other actions related to the Project, shall continue in full force and effect unless amended or modified by the City.

I, Kyle Perata, Assistant Community Development Director of the City of Menlo Park, do hereby
certify that the above and foregoing Planning Commission Resolution was duly and regularly
passed and adopted at a meeting by said Planning Commission on February 24, 2025, by the
following votes:

AYES:	
NOES:	
ARSENT.	

ABSTAIN:
IN WITNESS THEREOF, I have hereunto set my hand and affixed the Official Seal of said City on this day of February, 2025
PC Liaison Signature
Kyle Perata Assistant Community Development Director City of Menlo Park

Exhibits

Exhibits to Attachment A

- A. Hyperlink Project Plans: https://menlopark.gov/files/sharedassets/public/v/1/community-development/documents/projects/under-review/3705-haven-ave/3705-haven-project-plans_0162025.pdf
- B. Hyperlink Project Description Letter: 3705-haven-project-decsription-letter_02202025.pdf
- C. Hyperlink State Density Bonus Letter Including Requested Concession and Waivers: https://menlopark.gov/files/sharedassets/public/v/1/community-development/documents/projects/under-review/3705-haven-ave/3705-haven-sdblletter 02202025.pdf
- D. Hyperlink Project Below Market Rate Proposal: https://menlopark.gov/files/sharedassets/public/v/1/communitydevelopment/documents/projects/under-review/3705-haven-ave/3705-haven-bmr-proposalletter 02202025.pdf
- E. Draft Below Market Rate Housing Agreement with 3705 Haven LLC
- F. Hyperlink Applicant's Community Amenities Appraisal: https://menlopark.gov/files/sharedassets/public/v/2/community-development/documents/projects/under-review/3705-haven-ave/3705-haven-amenity-appraisal 02202025.pdf
- G. Hyperlink Applicant's Community Amenities Proposal: https://menlopark.gov/files/sharedassets/public/v/1/communitydevelopment/documents/projects/under-review/3705-haven-ave/3705-haven-communityamenity-proposal.pdf
- H. Hyperlink BAE's Evaluation of the Project Community Amenities Proposal: https://menlopark.gov/files/sharedassets/public/v/1/community-development/documents/projects/under-review/3705-haven-ave/3705-haven-community-amenity-proposal-evaluation.pdf
- I. Hyperlink 2016 City Council Approved Community Amenities List: https://menlopark.gov/files/sharedassets/public/v/1/community-development/documents/6360-fb-community-amenities_201906111131255112.pdf
- J. Project Arborist Report
- K. Hyperlink Community Plan Exemption Checklist: https://menlopark.gov/files/sharedassets/public/v/3/communitydevelopment/documents/projects/under-review/3705-haven-ave/final-cpe-3705-

- haven 0252025.pdf
- L. Hyperlink Appendices To The Community Plan Exemption: https://menlopark.gov/files/sharedassets/public/v/1/community-development/documents/projects/under-review/3705-haven-ave/3705-haven-ave-appendices.pdf
- M. Hyperlink Transportation Impact Analysis (TIA): 3705-haven-ave-appendices#page=2148.pdf
- N. Hyperlink Traffic Demand Management (TDM): 3705-haven-ave-appendices#page=2366.pdf
- O. Hyperlink ConnectMenlo Mitigation Monitoring and Reporting Program (MMRP): https://menlopark.gov/files/sharedassets/public/v/1/communitydevelopment/documents/6356-connect-menlo-ceqa.pdf
- P. Hyperlink 2023-2031 Cycle Housing Element Update Subsequent EIR Mitigation Monitoring and Reporting Program:
 https://menlopark.gov/files/sharedassets/public/v/1/community-development/documents/projects/housing-element-update/202301-he-mitigationmonitoring-and-reporting-program.pdf
- Q. Conditions of Approval

This document is recorded for the benefit of the City of Menlo Park and is entitled to be recorded free of charge in accordance with Sections 6103 and 27383 of the Government Code.

RECORDING REQUESTED BY AND WHEN RECORDED MAIL TO:

City of Menlo Park Attn: City Clerk 701 Laurel Street Menlo Park, CA 94025

BELOW MARKET RATE HOUSING AGREEMENT AND DECLARATION OF RESTRICTIVE COVENANTS

(3705 Haven Avenue Project)

RECITALS

- A. Owner is the owner of that certain real property located at 3705 Haven Avenue (APN 055-170-240) in the City of Menlo Park, California ("**Property**"), as more particularly described in **Exhibit A**, attached hereto and incorporated herein by this reference, which is the parcel subject to the terms of this Agreement. The Property is approximately 0.66 acres.
- B. Owner applied to demolish an existing commercial building, totaling approximately 10,361 square feet, and to redevelop the Property with a new multifamily residential apartment building with 112 rental units, along with related landscaping and parking ("**Project**").
- C. The Property is zoned Residential Mixed Use-Bonus ("**R-MU-B**"), which allows a density of up to 100 dwelling units per acre for "bonus level development," resulting in a "**Base Density**" for the Project of 66 units. The Project proposes to provide:
 - (i) fifteen percent (15%) of the Base Density units (i.e., 10 units) for purposes of compliance with the City's Below Market Rate Housing Program ("Inclusionary Units"). Seven of the BMR Program Units shall be provided at levels affordable to very low income households, and three of the BMR Program Units shall be provided at levels affordable to moderate income households; and
 - (ii) three (3) of the Base Density units at levels affordable to very low income households as a community amenity, in exchange for the bonus level development allowed in the R-

MU-B zoning district ("Amenity Units"); and

(iii) one (1) moderate income unit for purposes of the requested density bonus under the State Density Bonus Law ("**SDBL Unit**").

Together, the seven very low income Inclusionary Units and the three Amenity Units are the "Very Low Income Units." The three moderate income Inclusionary Units and the SDBL Unit are the "Moderate Income Units." The Inclusionary Units, Amenity Units, and SDBL Unit, collectively, are the "BMR Rental Units."

- D. The City's Below Market Rate Housing Program is governed by Chapter 16.96 of the Menlo Park Municipal Code ("BMR Program"). The BMR Program is administered under the City's Below Market Rate Housing Program Guidelines ("BMR Guidelines"). The BMR Program and BMR Guidelines require the Owner to provide fifteen percent (15%) of the Project's Base Density units at below market rates to very low, low and/or moderate-income households. To satisfy these BMR requirements, the Owner has proposed to provide the ten (10) Inclusionary Units, which would be offered at very low- and moderate-income levels.
- E. The City's "bonus level" development provisions applicable in the R-MU-B zoning district are set forth in Chapter 16.45 of the Menlo Park Municipal Code. These provisions allow the Project to develop at a greater level of intensity (with a specified increase in density, floor area ratio, and/or height) in exchange for the provision of community amenities, including affordable housing. The value of the provided community amenities must equal at least fifty percent (50%) of the fair market value of the additional gross floor area of the bonus level development. To meet these requirements and develop at the "bonus level," the Owner has proposed to provide the three (3) Amenity Units at very low-income levels.
- F. Consistent with the State Density Bonus Law (Gov. Code, § 65915, et seq.), the Owner is entitled to a density bonus of fifty percent (50%) over the Base Density (i.e., 33 additional units) for providing the ten (10) Very Low Income Units (which, as noted above, includes seven of the Inclusionary Units and the three additional Amenity Units), which equal fifteen percent (15%) of the Base Density. The State Density Bonus also entitles the Owner to an additional density bonus of twenty-two and one half percent (22.5%) over the Base Density (i.e., 15 additional units) for providing the four additional Moderate Income Units (which, as noted above, includes three of the Inclusionary Units and the one additional SDBL Unit), which equal six percent (6%) of the Base Density. Based on the Project's level of affordability, this results in a total allowed density bonus for the Project of up seventy-two and one half percent (72.5%) over the Base Density, for a total density bonus of 48 units. This density bonus is sufficient to accommodate the Project's proposed 112 rental units.
- G. On ______, 2025, after a duly noticed public hearing, and on the recommendation of the Housing Commission, the Planning Commission adopted a "Community Plan Exemption Checklist" pursuant to CEQA Guidelines Section 15183, granted a Use Permit, Architectural Control Approval, and Heritage Tree Removal Permit, and approved this Agreement for the Project (collectively, "**Project Approvals**"). The Project Approvals (in accordance with the BMR Program, the BMR Guidelines, the City's bonus level development provisions, and the

State Density Bonus Law) require the Owner to execute and record this approved Agreement as a condition precedent to the issuance of a building permit for the Project. The Owner has agreed to observe all the terms and conditions set forth in this Agreement regarding the BMR Rental Units.

NOW, THEREFORE, the Parties hereto agree as follows. The above Recitals are specifically incorporated into this Agreement by this reference.

1. CONSTRUCTION OF THE PROJECT

- **1.1 Construction of the Project**. Owner agrees to construct the Project in accordance with the Project Approvals, the Menlo Park Municipal Code, and all other applicable state and local building codes, development standards, ordinances, and zoning ordinances.
- 1.2 City and Other Governmental Permits. Before commencement of the Project, Owner shall secure or cause its contractor to secure any and all permits which may be required by the City or any other governmental agency affected by such construction, including without limitation building permits. Owner shall pay all necessary fees and timely submit to the City final drawings with final corrections to obtain such permits; City staff will, without incurring liability or expense therefore, process applications in the ordinary course of business for the issuance of building permits and certificates of occupancy for construction that meet the requirements of the Menlo Park Municipal Code and all other applicable laws and regulations.
- **1.3 Compliance with Laws**. Owner shall carry out the design, construction, and operation of the Project in conformity with all applicable laws, including all applicable state labor standards, City zoning and development standards, building, plumbing, mechanical and electrical codes, and all other provisions of the Menlo Park Municipal Code, and all applicable disabled and handicapped access requirements, including without limitation the Americans With Disabilities Act, 42 U.S.C. Section 12101, *et seq.*, Government Code Section 4450, *et seq.*, Government Code Section 11135, *et seq.*, and the Unruh Civil Rights Act, Civil Code Section 51, *et seq.*

2. OPERATION OF THE BMR RENTAL UNITS

- **2.1 Affordability Period**. The Property, provided that the Project remains on the Property, shall be subject to the requirements of this Agreement from the date that the City issues a final certificate of occupancy for the Project until the 55th anniversary of such date. The duration of this requirement shall be referred to in this Agreement as the "**Affordability Period**."
- **2.2** Allocation and Distribution of BMR Rental Units. The initial allocation of BMR Rental Units in the Project, by size (including the breakdown between the Inclusionary Units, Amenity Units, and SDBL Unit, respectively), is set forth in **Exhibit B**, attached hereto and incorporated herein by this reference. The BMR Rental Units initially shall be distributed as set forth in **Exhibit C**, attached hereto and incorporated herein by this reference. Thereafter, the location of the individual BMR Rental Units may float to account for the next available unit requirement set forth below and as otherwise necessary for the professional maintenance and operation of the Project, provided that the BMR Rental Units are reasonably disbursed throughout

the Project and the City's Director of Community Development ("**Director**"), or the Director's designee, shall be notified of any change or relocation of BMR Rental Units by the Owner.

- 2.3 BMR Program Requirements. The BMR Rental Units are subject to the requirements of the BMR Program and BMR Guidelines, as modified by the Project Approvals pursuant to the State Density Bonus Law. To the extent this Agreement and the BMR Guidelines conflict, the specific requirements of this Agreement shall control. The BMR Rental Units shall generally be of the same proportionate size (number of bedrooms) as the market rate units, though some variation in size is permitted consistent with the Project Approvals. The BMR Rental Units should be generally distributed throughout the development and should be indistinguishable from the exterior. BMR Rental Units shall contain standard appliances common to new units, but need not have luxury accessories, such as Jacuzzi tubs. The design and materials used in construction of the BMR Rental Units shall be of a quality comparable to the other new residential rental units in the Project but need not be of luxury quality.
- **2.4 Maintenance**. Owner shall comply with every condition of the Project Approvals and shall, at all times, maintain the Project and the Property in good repair and working order, reasonable wear and tear excepted, and in a safe and sanitary condition, and from time to time shall make all necessary and proper repairs, renewals, and replacements to maintain the Project and the Property in a good, clean, safe, and sanitary condition.
- 2.5 Monitoring and Recordkeeping. Throughout the Affordability Period, Owner shall comply with all applicable recordkeeping and monitoring requirements set forth in the BMR Guidelines. City shall have the right to inspect the books and records of Owner and its rental agent or bookkeeper upon reasonable notice during normal business hours. Representatives of the City shall be entitled to enter the Property, upon at least 48-hour prior written notice, which can be provided via email, to monitor compliance with this Agreement, to inspect the records of the Project with respect to the BMR Rental Units, and to conduct, or cause to be conducted, an independent audit or inspection of such records. Owner agrees to cooperate with the City in making the Property available for such inspection or audit. Owner agrees to maintain records in a businesslike manner and to maintain such records for the duration of the Affordability Period.
- 2.6 Non-Discrimination Covenants. Owner covenants by and for itself, its successors and assigns, and all persons claiming under or through them that there shall be no discrimination against or segregation of any person or group of persons on account of race, color, religion, sex, marital status, familial status, disability, national origin, or ancestry in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the Property, nor shall any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the Property be established or permitted. Owner shall include such provision in all deeds, leases, contracts, and other instruments executed by Owner with respect to the Property, and Owner shall enforce the same diligently and in good faith.
 - a. In deeds, the following language shall appear:
 - (1) Grantee herein covenants by and for itself, its successors and

assigns, and all persons claiming under or through it, that there shall be no discrimination against or segregation of a person or of a group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the property herein conveyed, nor shall the grantee or any person claiming under or through the grantee establish or permit any such practice or practices of discrimination or segregation with reference to the selection, location, number, use, or occupancy of tenants, lessees, subtenants, sublessees, or vendees in the property herein conveyed. The foregoing covenant shall run with the land.

- (2) Notwithstanding paragraph (1), with respect to familial status, paragraph (1) shall not be construed to apply to housing for older persons, as defined in Section 12955.9 of the Government Code. With respect to familial status, nothing in paragraph (1) shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11, and/or 799.5 of the Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51 and Section 1360 of the Civil Code and subdivisions (n), (o), and (p) of Section 12955 of the Government Code shall apply to paragraph (1).
- b. In leases, the following language shall appear:
 - (1) The lessee herein covenants by and for the lessee and lessee's heirs, personal representatives and assigns, and all persons claiming under the lessee or through the lessee, that this lease is made subject to the condition that there shall be no discrimination against or segregation of any person or of a group of persons on account of race, color, creed, religion, sex, sexual orientation, marital status, national origin, ancestry, or disability in the leasing, subleasing, transferring, use, occupancy, tenure, or enjoyment of the property herein leased, nor shall the lessee or any person claiming under or through the lessee establish or permit any such practice or practices of discrimination of segregation with reference to the selection, location, number, use, or occupancy of tenants, lessees, sublessees, subtenants, or vendees in the property herein leased.
 - (2) Notwithstanding paragraph (1), with respect to familial status, paragraph (1) shall not be construed to apply to housing for older persons, as defined in Section 12955.9 of the Government Code. With respect to familial status, nothing in paragraph (1) shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11, and/or 799.5 of the Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51 and Section 1360 of the Civil Code and subdivisions (n), (o), and (p) of Section 12955 of the Government Code shall apply to paragraph (1).

- c. In contracts pertaining to management of the Project, the following language, or substantially similar language prohibiting discrimination and segregation, shall appear:
 - (1) There shall be no discrimination against or segregation of any person or group of persons on account of any basis listed in subdivision (a) or (d) of Section 12955 of the Government Code, as those bases are defined in Sections 12926, 12926.1, subdivision (m) and paragraph (1) of subdivision (p) of Section 12955, and Section 12955.2 of the Government Code, in the sale, lease, sublease, transfer, use, occupancy, tenure, or enjoyment of the property, nor shall the transferee or any person claiming under or through the transferee establish or permit any such practice or practices of discrimination or segregation with reference to selection, location, number, use, or occupancy of tenants, lessee, subtenants, sublessees, or vendees of the land.
 - (2) Notwithstanding paragraph (1), with respect to familial status, paragraph (1) shall not be construed to apply to housing for older persons, as defined in Section 12955.9 of the Government Code. With respect to familial status, nothing in paragraph (1) shall be construed to affect Sections 51.2, 51.3, 51.4, 51.10, 51.11, and/or 799.5 of the Civil Code, relating to housing for senior citizens. Subdivision (d) of Section 51 and Section 1360 of the Civil Code and subdivisions (n), (o), and (p) of Section 12955 of the Government Code shall apply to paragraph (1).
- **2.7 Subordination**. This Agreement shall be recorded in the Official Records of the County of San Mateo and shall run with the land. The City agrees that the City will not withhold consent to reasonable requests for subordination of this Agreement for the benefit of lenders providing financing for the Project, provided that the instruments effecting such subordination include reasonable protections to the City in the event of default, including without limitation extended notice and cure rights.

3. AFFORDABILITY REQUIREMENTS

- 3.1 BMR Rental Units. Owner agrees to make available, restrict occupancy to, and lease not less than the fourteen (14) BMR Rental Units, inclusive of the ten (10) Very Low Income Units (i.e., seven Inclusionary Units and the three Amenity Units) at levels affordable to very low income households and the four (4) Moderate Income Units (i.e., three Inclusionary Units and the SDBL Unit) at levels affordable moderate income households, to Qualifying Households, as hereinafter defined, at an affordable rent, pursuant to the terms below.
- **3.2 Qualifying Households**. For purposes of this Agreement, "Qualifying Households" shall mean those households with incomes as follows:
 - a. "<u>Very Low Income Unit</u>": means units restricted to households with incomes of not more than fifty percent (50%) of AMI. "AMI" means the median income for San Mateo County, California, adjusted for Actual

Household Size, as published from time to time by the State of California Department of Housing and Community Development in Section 6932 of Title 25 of the California Code of Regulations or successor provision. Qualifying Households shall continue to qualify unless at the time of recertification, the household's income exceeds the Very Low Income Unit eligibility requirements, in which case the household shall no longer be qualified. Upon Owner's determination that any such household is no longer qualified, the unit shall no longer be deemed a Very Low Income Unit, and the Owner shall notify the household that the household no longer is eligible for the Very Low Income Unit, and that the household's rent will be increased to a market rate upon the later of sixty (60) days' notice or the renewal of the household's lease. The Owner shall either make the next available unit, which is comparable in terms of size, features, and number of bedrooms, a Very Low Income Unit, or take other actions as may be necessary to ensure that the total required number of Very Low Income Units are rented to Qualifying Households, as defined herein. The Owner shall notify the City annually if Owner substitutes a different unit for one of the designated Very Low Income Units pursuant to this paragraph.

- "Moderate Income Unit": means units restricted to households with b. incomes of not more than one hundred twenty percent (120%) of AMI. Qualifying Households shall continue to qualify unless at the time of recertification, the household's income exceeds the Moderate Income Unit eligibility requirements, in which case the household shall no longer be qualified. Upon Owner's determination that any such household is no longer qualified, the unit shall no longer be deemed a Moderate Income Unit, and the Owner shall notify the household that the household no longer is eligible for the Moderate Income Unit, and that the household's rent will be increased to a market rate upon the later of sixty (60) days' notice or the renewal of the household's lease. The Owner shall either make the next available unit, which is comparable in terms of size, features, and number of bedrooms, a Moderate Income Unit, or take other actions as may be necessary to ensure that the total required number of Moderate Income Units are rented to Qualifying Households, as defined herein. The Owner shall notify the City annually if Owner substitutes a different unit for one of the designated Moderate Income Units pursuant to this paragraph.
- 3.3 Income Verification and Annual Report. On or before July 1 of each year, commencing with the calendar year that the first residential unit in the Project is rented to a tenant, and annually thereafter, Owner shall obtain from each household occupying a BMR Rental Unit, and submit to the City, an income computation and certification form, completed by a tenant of such unit, which also shall certify that the income of each Qualifying Household is truthfully set forth in the form, in a form proposed by the Owner and approved by the Director or the Director's designee ("Annual Report"). Owner shall make a good faith effort to verify that each household leasing a BMR Rental Unit meets the income and eligibility restrictions for the BMR Rental Unit by taking the following steps as a part of the verification process: (a) obtaining a minimum of the

three (3) most current pay stubs for all adults age eighteen (18) or older; (b) obtaining an income tax return for the most recent tax year; (c) conducting a credit agency or similar search; (d) obtaining the three (3) most current savings and checking account bank statements; (e) obtaining an income verification form from the applicant's current employer; (f) obtaining an income verification form from the Social Security Administration and/or the California Department of Social Services, if the applicant receives assistance from either of such agencies; or (g) if the applicant is unemployed and has no such tax return, obtaining another form of independent verification. Copies of tenant income certifications shall be made available to the City upon request. The Annual Report shall, at a minimum, include the following information for each BMR Rental Unit: the unit number, number of bedrooms, current rent and other charges, number of people residing in the unit, total household Gross Income, and lease commencement and termination dates. The Annual Report also shall provide a statement of the Owner's management policies, communications with the tenants, and maintenance of the BMR Rental Unit, including a statement of planned repairs to be made and the dates for the repairs. The Annual Report also shall include a list of any BMR Rental Units that were vacant at any point during the reporting period, including the date any such unit was vacated and the date each such unit, as applicable, was once again occupied by a new Qualifying Household, as defined herein.

- **3.4 Affordable Rent**. The maximum monthly rent, as defined below, chargeable for the BMR Rental Units to Qualifying Households and paid shall be as follows:
 - a. "Monthly Rent for a Very Low Income Household": shall be 1/12th of 30 percent of not to exceed 50 percent of the AMI. The Monthly Rent for a Very Low Income Unit rented to a Qualifying Household and paid by that household shall be based on an assumed occupancy of one (1) person per studio unit, two (2) persons for a one-bedroom unit, three (3) persons for a two-bedroom unit, and four (4) persons for a three-bedroom unit, unless otherwise approved by the Director or the Director's designee for an unusually large unit with a maximum of two persons per bedroom, plus one.
 - b. "Monthly Rent for a Moderate Income Household": shall be 1/12th of 30 percent of not to exceed 110 percent of the AMI. In addition, for those Qualifying Households whose gross incomes exceed 110 percent of the AMI, monthly rent shall not exceed 1/12th of 30 percent of gross income of the household. The Monthly Rent for a Moderate Income Unit rented to a Qualifying Household and paid by that household shall be based on an assumed occupancy of one (1) person per studio unit, two (2) persons for a one-bedroom unit, three (3) persons for a two-bedroom unit, and four (4) persons for a three-bedroom unit, unless otherwise approved by the Director or the Director's designee for an unusually large unit with a maximum of two persons per bedroom, plus one.

For purposes of this Agreement, "Monthly Rent" means the total of monthly payments actually made by the household for (a) use and occupancy of each BMR Rental Unit and land and facilities associated therewith, (b) any separately charged fees or service charges assessed by Owner which are required of all tenants, other than security deposits, (c) a reasonable allowance for an adequate

level of service of utilities not included in (a) or (b) above, and which are not paid directly by Owner, including garbage collection, sewer, water, electricity, gas and other heating, cooking and refrigeration fuels, but not including telephone or internet service, which reasonable allowance for utilities is set forth in the County of San Mateo's Utility Allowance Schedule for detached homes, apartments, condominiums, and duplexes, and (d) possessory interest, taxes or other fees or charges assessed for use of the land and facilities associated therewith by a public or private entity other than Owner. Monthly Rent does not include parking for any tenant; the cost of parking is unbundled from the cost of a unit for all tenants and will be offered on a first-come, first-serve basis, equally.

- 3.5 Agreement to Limitation on Rents. As described in the Recitals, above, Owner is developing at the bonus level of development and has received certain benefits under the State Density Bonus Law, as authorized by Chapter 4.3 (commencing with Section 65915) of Division 1 of Title 7 of the Government Code. Sections 1954.52(b) and 1954.53(a)(2) of the Costa-Hawkins Act provide that, where a developer has received such assistance, certain provisions of the Costa-Hawkins Act do not apply if a developer has so agreed by contract. Owner hereby agrees to limit the Monthly Rent charged to Qualifying Households as provided in this Agreement in consideration of Owner's receipt of the assistance and further agrees that any limitations on Monthly Rents imposed on the BMR Rental Units are in conformance with the Costa-Hawkins Act. Owner further warrants and covenants that the terms of this Agreement are fully enforceable.
- 3.6 Lease Requirements. No later than 180 days prior to the initial lease up of the BMR Rental Units, Owner shall submit a standard lease form to the City for approval by the Director or the Director's designee. The City shall reasonably approve such lease form upon finding that such lease form is consistent with this Agreement and contains all of the provisions required pursuant to the BMR Guidelines. A failure by the City to respond to Owner's request for approval of the standard lease form within thirty (30) business days of City's receipt of such lease shall be deemed to constitute the City's approval of such lease form. Owner shall enter into a written lease, in the form approved by the City, with each new tenant of a BMR Rental Unit prior to a tenant or tenant household's occupancy of a BMR Rental Unit. Each lease shall be for an initial term of not less than one year, which may be renewed pursuant to applicable local and state laws, and shall not contain any provisions which are prohibited pursuant to the BMR Guidelines, local, state, and/or federal laws.

3.7 Marketing Plan

a. Marketing Plan. Not fewer than 180 days prior to the initial lease up of the BMR Rental Units, Owner shall submit for City review and approval a plan for marketing the BMR Rental Units (the "Marketing Plan"). The Marketing Plan shall address, (i) plans for compliance with fair housing laws and this Agreement, (ii) Owner's tenant selection criteria, (iii) preparation of clear and accurate marketing information regarding the BMR Rental Units to be distributed to eligible households included on any City maintained affordable housing waiting list (preferably in English, Spanish and other languages representative of eligible households in the area), and (iv) placement of advertisements regarding the availability of the BMR

Rental Units online or in other media during the applicable marketing period (preferably in English, Spanish and other languages representative of eligible households in the area). Upon receipt of the Marketing Plan, the City shall promptly review the Plan and shall approve or disapprove it within thirty (30) days after submission. A failure by the City to respond to Owner's request for approval of the Marketing Plan within thirty (30) business days of City's receipt of the same shall be deemed to constitute the City's approval of the Marketing Plan. Owner shall abide by the terms of the Marketing Plan in marketing and leasing the BMR Rental Units throughout the Term of this Agreement and shall submit proposed material modifications to City for review and approval as described herein.

b. <u>Prolonged Vacancy Marketing Plan.</u>

- (1) A "Prolonged Vacancy" shall mean: (i) Owner's failure to initially lease at least five Very Low Income Units within the later of six months after the Project's first market rate tenant moves in or the leasing of the 85th market-rate unit in the Project; (ii) Owner's failure to initially lease all ten Very Low Income Units within the later of twelve months after the Project's first market-rate tenant moves in or the leasing of all of the market-rate units in the Project; or (iii) Owner's failure to accept and approve the application to lease a Very Low Income Unit within one hundred fifty (150) days after the expiration of the lease of such unit unless a rehabilitation requiring permits from the City is necessary, and then within one hundred and fifty (150) days after the final inspection approving such work.
- (2) Notwithstanding the foregoing, a vacancy is not a Prolonged Vacancy under any of the following circumstances: (i) the vacancy rate of the market-rate units in the Project is the same or higher than the vacancy rate of the Very Low Income Units in the Project based on the average of the preceding twelve (12) months, or (ii) the Owner or the City cannot identify any Qualified Households eligible to apply to live in the Very Low Income Unit(s).
- (3) Upon occurrence of a Prolonged Vacancy, the Owner must use its best efforts to re-tenant the unit(s), including by offering rental incentives comparable to the rental incentives typically offered to potential tenants of market-rate units until a qualified renter agrees to sign a lease for the Prolonged Vacancy unit or for an initial period of one hundred fifteen (115) days ("First Incentive Period"). If the Prolonged Vacancy unit is vacant after the First Incentive Period, the Owner must offer a parking space in the Project if one is available, or as soon as one becomes available, at no charge as a rental incentive until the lease term ends. If after twelve months of

offering rental incentives pursuant to this Section 3.7.b(3) no tenant has signed a lease, the unit is no longer is a Prolonged Vacancy unit.

- 3.8 Selection of Tenants. Each BMR Rental Unit shall be leased to tenant(s) selected by Owner who meet all of the requirements provided herein and, to the extent permitted by law, with priority given to eligible households who either live or work in the City of Menlo Park or who meet one of the other preferences identified in the most recently adopted BMR Guidelines. The City's BMR Administrator, on behalf of the City, will provide to Owner the names of persons who have expressed interest in renting BMR Rental Units for the purposes of adding such interested persons to Owner's waiting list, to be processed in accordance with Owner's customary policies. Owner shall not refuse to lease to a holder of a certificate or a rental voucher under the Section 8 program or other tenant-based assistance program who is otherwise qualified to be a tenant in accordance with the approved tenant selection criteria.
- **3.9 Application of State Density Bonus Law**. The Project Approvals include approved incentives, concessions, and waivers under the State Density Bonus Law, attached hereto as **Exhibit D**. This Agreement shall be subject to and interpreted to be consistent with the approved incentives, concessions, and waivers granted pursuant to the State Density Bonus Law.

4. **DEFAULT AND REMEDIES**

- 4.1 Events of Default. The following shall constitute an "Event of Default" by Owner under this Agreement: there shall be a material breach of any condition, covenant, warranty, promise or representation contained in this Agreement, and such breach shall continue for a period of thirty (30) days after written notice thereof to the Owner without the Owner curing such breach, or if such breach cannot reasonably be cured within such 30-day period, commencing the cure of such breach within such 30-day period and thereafter diligently proceeding to cure such breach; provided, however, that if a different period or notice requirement is specified for any particular breach under any other paragraph of this Section 4 of this Agreement, the specific provision shall control.
- **4.2 Remedies**. The occurrence of any Event of Default under Section 4.1 shall give the City the right to proceed with an action in equity to require the Owner to specifically perform its obligations and covenants under this Agreement or to enjoin acts or things which may be unlawful or in violation of the provisions of this Agreement, and the right to terminate this Agreement.
- 4.3 Obligations Personal to Owner. The liability of Owner under this Agreement to any person or entity is limited to Owner's interest in the Project, and the City and any other such persons and entities shall look exclusively thereto for the satisfaction of obligations arising out of this Agreement or any other agreement securing the obligations of Owner under this Agreement. From and after the Effective Date, no deficiency or other personal judgment, nor any order or decree of specific performance (other than pertaining to this Agreement, any agreement pertaining to the Project, or any other agreement securing Owner's obligations under this Agreement), shall be rendered against Owner, the assets of Owner (other than Owner's interest in the Project), its partners, members, successors, transferees or assigns and each of their respective officers, directors, employees, partners, agents, heirs and personal representatives, as the case may be, in

any action or proceeding arising out of this Agreement or any agreement securing the obligations of Owner under this Agreement, or any judgment, order or decree rendered pursuant to any such action or proceeding. No subsequent Owner of the Project shall be liable or obligated for the breach or default of any obligations of Owner under this Agreement on the part of any prior Owner. Such obligations are personal to the person who was the Owner at the time the default or breach was alleged to have occurred, and such person shall remain liable for any and all damages occasioned thereby even after such person ceases to be the Owner. Each Owner shall comply with and be fully liable for all obligations of the Owner hereunder during its period of ownership of the Project.

- 4.4 Force Majeure. Subject to the Party's compliance with the notice requirements as set forth below in this Section 4.4, performance by either Party hereunder shall not be deemed to be in default, and all performance and other dates specified in this Agreement shall be extended, as described immediately below, where delays or defaults are due to causes beyond the control and without the fault of the Party claiming an extension of time to perform, which may include, without limitation, the following: war, insurrection, strikes, lockouts, riots, floods, earthquakes, fires, assaults, acts of God, acts of the public enemy, epidemics, quarantine restrictions, freight embargoes, lack of transportation, governmental restrictions or priority, litigation, unusually severe weather, inability to secure necessary labor, materials or tools, acts or omissions of the other Party, or acts or failures to act of any public or governmental entity (except that the City's acts or failure to act shall not excuse performance of the City hereunder). An extension of the time for any such cause shall be for the period of the enforced delay and shall commence to run from the time of the commencement of the cause, if notice by the Party claiming such extension is sent to the other Party within thirty (30) days of the commencement of the cause of such extension.
- **4.5 Attorneys' Fees**. In addition to any other remedies provided hereunder or available pursuant to law, if either Party brings an action or proceeding to enforce, protect, or establish any right or remedy hereunder, the prevailing Party shall be entitled to recover from the other Party its costs of suit and reasonable attorneys' fees. This Section 4.5 shall be interpreted in accordance with California Civil Code Section 1717 and judicial decisions interpreting that statute.
- **4.6 Remedies Cumulative**. No right, power, or remedy given by the terms of this Agreement is intended to be exclusive of any other right, power, or remedy; and each and every such right, power, or remedy shall be cumulative and in addition to every other right, power, or remedy given by the terms of any such instrument, or by any statute or otherwise.
- **4.7 Waiver of Terms and Conditions**. The City may, in its sole discretion, waive in writing any of the terms and conditions of this Agreement. Waivers of any covenant, term, or condition contained herein shall not be construed as a waiver of any subsequent breach of the same covenant, term, or condition, unless otherwise specified by the City in its sole discretion.
- **4.8** Non-Liability of City Officials and Employees. No member, official, employee, or agent of the City shall be personally liable to Owner or any occupant of any BMR Rental Unit, or any successor in interest, in the event of any default or breach by the City or for any amount which may become due to the Owner or its successors, or on any obligations under the terms of this Agreement.

4.9 Cure Rights. Notwithstanding anything to the contrary contained herein, City hereby agrees that any cure of any default made or tendered by Owner's mortgage lender, shall be deemed to be a cure by Owner and shall be accepted or rejected on the same basis as if made or tendered by Owner.

5. GENERAL PROVISIONS

- **5.1 BMR Guidelines**. This Agreement incorporates by reference the City's BMR Guidelines as of the date that the Owner submitted a complete Preliminary Application, as that process is described in Government Code Section 65941.1 and, at the election of the Owner, any later amended provisions of the BMR Guidelines, as those BMR Guidelines may be amended from time to time. In the event of any conflict or ambiguity between this Agreement, the requirements of state and/or federal fair housing laws, and/or the BMR Guidelines, the terms and conditions of this Agreement and the requirements of state and federal fair housing laws shall control.
 - **5.2 Time**. Time is of the essence in this Agreement.
- **5.3 Notices**. Unless otherwise indicated in this Agreement, any notice requirement set forth herein shall be deemed to be satisfied three (3) days after mailing of the notice first class United States certified mail, postage prepaid, or by personal delivery, addressed to the appropriate party as follows:

Owner: 3705 Haven, LLC

c/o March Capital Management

2040 Webster Street San Francisco, CA 94115 Attention: Eduardo Sagues

Email: eduardo@marchcapitalfund.com

Phone: (203) 500-3766

With a copy to:

Cox, Castle & Nicholson LLP 50 California Street, Suite 3200 San Francisco, California 94111

Attention: Linda Klein Email: *lklein@coxcastle.com* Phone: (415) 262-5130

City: City of Menlo Park

701 Laurel Street

Menlo Park, California 94025-3483

Attention: City Manager

Such addresses may be changed by notice to the other Party, given in the same manner as provided above.

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- **5.4 Successors and Assigns**. This Agreement constitutes a covenant and legal restriction on the Property and shall run with the land, provided the Project remains on the Property, and all of the terms, covenants, and conditions of this Agreement shall be binding upon Owner and the permitted successors and assigns of Owner.
- 5.5 Intended Beneficiaries. The City is the intended beneficiary of this Agreement and shall have the sole and exclusive power to enforce this Agreement. It is intended that the City may enforce this Agreement to satisfy its obligations to improve, increase, and preserve affordable housing within the City, as stated in the BMR Guidelines, and to provide that a certain percentage of new housing is made available at affordable housing cost to persons and families of very low, low, and moderate incomes, as required by the BMR Guidelines. No other person or persons, other than the City and Owner and their assigns and successors, shall have any right of action hereon.
- **5.6 Partial Invalidity**. If any provision of this Agreement shall be declared invalid, illegal, or unenforceable, the validity, legality, and enforceability of the remaining provisions hereof shall not in any way be affected or impaired.
- **5.7 Governing Law**. This Agreement and other instruments given pursuant hereto shall be construed in accordance with and be governed by the laws of the State of California. Any references herein to particular statutes or regulations shall be deemed to refer to successor statutes or regulations, or amendments thereto. The venue for any action shall be the County of San Mateo.
- **5.8 Amendment**. This Agreement may not be changed orally, but only by agreement in writing signed by Owner and the City.
- 5.9 Approvals. Where an approval or submission is required under this Agreement, such approval or submission shall be valid for purposes of this Agreement only if made in writing. Where this Agreement requires an approval or consent of the City, such approval shall not be unreasonably withheld and may be given on behalf of the City by the City Manager or his or her designee. The City Manager or his or her designee is hereby authorized to take such actions as may be necessary or appropriate to implement this Agreement, including without limitation the execution of such documents or agreements as may be contemplated by this Agreement, and amendments which do not substantially change the uses or restrictions hereunder, or substantially add to the costs of the City hereunder.
- **5.10 Indemnification.** To the greatest extent permitted by law, Owner shall indemnify, defend (with counsel reasonably approved by City), and hold the City, its heirs, successors, and assigns ("**Indemnitees**") harmless from and against any and all demands, losses, claims, costs, and expenses, and any other liability whatsoever, including without limitation reasonable accountants' and attorneys' fees, charges, and expenses (collectively, "**Claims**") arising directly or indirectly, in whole or in part, as a result of or in connection with Owner's construction, management, or operation of the Property and the Project or any failure to perform any obligation as and when required by this Agreement. Owner's indemnification obligations under this Section shall not extend to Claims resulting from the gross negligence or willful misconduct of Indemnitees. The provisions of this Section shall survive the expiration or earlier termination of this Agreement, but only as to claims arising from events occurring during the Affordability Period.

5.11 Insurance Coverage. Throughout the Affordability Period, Owner shall comply with the insurance requirements set forth in Exhibit D, attached hereto and incorporated herein by this reference, and shall, at Owner's expense, maintain in full force and effect insurance coverage as specified in Exhibit E.

5.12 Transfer and Encumbrance.

- **5.12.1 Restrictions on Transfer and Encumbrance.** During the term of this Agreement, except as permitted pursuant to this Agreement, Owner shall not directly or indirectly, voluntarily, involuntarily, or by operation of law make or attempt any total or partial sale, transfer, conveyance, assignment, or lease (other than a lease of a BMR Rental Unit on an approved form under Section 3.6 hereof to a qualified tenant, as described in Section 3.7 hereof) (collectively, "Transfer") of the whole or any part of any BMR Rental Unit, without the prior written consent of the City, which approval shall not be unreasonably withheld. In addition, prior to the expiration of the term of this Agreement, except as expressly permitted by this Agreement, Owner shall not undergo any significant change of ownership without the prior written approval of City, which shall not be unreasonably withheld. For purposes of this Agreement, a "significant change of ownership" shall mean a transfer of the beneficial interest of more than twenty-five percent (25%) in aggregate of the present ownership and/or control of Owner, taking all transfers into account on a cumulative basis; provided however, neither the admission of an investor limited partner, nor the transfer by the investor limited partner to subsequent limited partners, shall be restricted by this provision.
- **5.12.2 Permitted Transfers.** The prohibitions on Transfer set forth in this Section 5.12 shall not be deemed to prevent: (i) the granting of easements or permits to facilitate development of the Property; (ii) assignments creating security interests for the purpose of financing the acquisition, construction, or permanent financing of the Project or Property, or Transfers directly resulting from the foreclosure of, or granting of a deed in lieu of foreclosure of, such a security interest; or (iii) transfers between entities owned or controlled by Owner.
- **5.12.3 Requirements for Proposed Transfers.** The City may, in the exercise of its discretion, not to be unreasonably withheld, consent to a proposed Transfer of this Agreement and/or a BMR Rental Unit if all of the following requirements are met (provided however, the requirements of this Section 5.12.3 shall not apply to Transfers described in clauses (i), (ii), or (iii) of Section 5.12.2.
- (i) The proposed transferee demonstrates to the City's satisfaction that it has the qualifications, experience, and financial resources necessary and adequate as may be reasonably determined by the City to competently complete and manage the Project and to otherwise fulfill the obligations undertaken by the Owner under this Agreement.
- (ii) The Owner and the proposed transferee shall submit for City review and approval all instruments and other legal documents proposed to effect any Transfer of all or any part of or interest in a BMR Rental Unit or this Agreement together with such documentation of the proposed transferee's qualifications and development capacity as the City may reasonably request.

- (iii) The proposed transferee shall expressly assume all of the rights and obligations of the Owner under this Agreement arising after the effective date of the Transfer and all obligations of Owner arising prior to the effective date of the Transfer (unless Owner expressly remains responsible for such obligations) and shall agree to be subject to and assume all of Owner's obligations pursuant to conditions and restrictions set forth in this Agreement.
- (iv) The Transfer shall be effectuated pursuant to a written instrument satisfactory to the City in a form recordable in the Official Records.

Consent to any proposed Transfer may be given by the Director or the Director's designee unless the Director, in their discretion, refers the matter of approval to the City Council. If the City has not rejected a proposed Transfer or requested additional information regarding a proposed Transfer in writing within forty-five (45) days following City's receipt of written request by Owner, the proposed Transfer shall be deemed approved by the City.

- **5.13 Effect of Transfer without City Consent.** In the absence of specific written agreement by the City, unless such Transfer is otherwise "deemed approved" pursuant to Section 5.12.3, no Transfer of any BMR Rental Unit shall be deemed to relieve the Owner or any other party from any obligation under this Agreement. This Section 5.12 shall not apply to Transfers described in clauses (i), (ii), or (iii) of Section 5.12.2.
- **5.14 Recovery of City Costs.** Owner shall reimburse City for all reasonable City costs, including but not limited to reasonable attorneys' fees, incurred in reviewing instruments and other legal documents proposed to effect a Transfer under this Agreement, and in reviewing the qualifications and financial resources of a proposed successor, assignee, or transferee, within ten (10) days following City's delivery to Owner of an invoice detailing such costs.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date and year set forth above.

SIGNATURES ON FOLLOWING PAGE(S).

	OWNER:
	3705 HAVEN LLC , a California limited liability company,
	By:
	Its:
	CITY:
	CITY OF MENLO PARK, a California municipal corporation
	By: City Manager
ATTEST:	
By:City Clerk	

List of Exhibits:

Exhibit A: Property Description

Exhibit B: Allocation of BMR Rental Units Exhibit C: BMR Rental Unit Locations

Exhibit D: State Density Bonus Law Request Approval

Exhibit E: Insurance Requirements

Exhibit A

Property Description

Exhibit B

Allocation of BMR Rental Units in the Project

Unit Type	Very Low	Moderate	Total
Studio	3	2	5
1 Bedroom	5	1	6
2 Bedroom	2	1	3
Total	10	4	14

The above BMR Rental Units are, in turn, allocated as follows:

- The Very Low Income Units include seven (7) of the Inclusionary Units and all three (3) of the Amenity Units identified above.
- The remaining three (3) Inclusionary Units, which include three of the four Moderate Income Units identified above, consist of one Studio, one 1-Bedroom, and one 2-Bedroom.
- The SDBL Unit includes the remaining Moderate Income Unit.

Exhibit C Initial BMR Rental Unit Locations

Unit Type	BMR Category	Unit Number
1 Bedroom	VL	201
Studio	VL	202
2 Bedroom	VL	204
2 Bedroom	VL	312
1 Bedroom	VL	314
Studio	VL	315
2 Bedroom	Mod	416
1 Bedroom	VL	417
Studio	VL	418
1 Bedroom	VL	513
1 Bedroom	VL	517
Studio	Mod	518
1 Bedroom	Mod	617
Studio	Mod	618

Exhibit D

State Density Bonus Law Request Approval

Exhibit E

Insurance Requirements

4869-0542-3312 v6 55

Error! Unknown document property name.



5/30/22

Oliver Davis 3705 Haven LLC 3705 Haven Ave. Menlo Park, CA 94025 (310)498-7575 oliver@marchcapitalfund.com

Re: Tree protection for proposed apartment building at 3705 Haven Avenue, Menlo Park, CA 94025

Dear Oliver,

At your request, we have visited the property referenced above to evaluate the trees present with respect to the proposed project. The report below contains our analysis.

Summary

There are 17 trees present on and adjacent to this property. Three are heritage trees, two are street trees, and the rest are non-protected. Four of the non-protected trees inventoried are stumps. All three heritage trees, which are all on this property, are recommended for removal, as they conflict with project features.

The two street trees are in good condition and should be retained and protected as detailed in the Recommendations, below. With proper protection, both are expected to survive and thrive during and after construction. No impact analysis was performed for the non-protected trees.

Assignment and Limits of Report

We have been asked to write a report detailing impacts to trees from the proposed apartment building on this property. This report may be used by our client and other project members as needed to inform all stages of the project.

All observations were made from the ground with basic equipment. No root collar excavations or aerial inspections were performed. No project features had been staked at the time of our site visit.

Tree Regulations

In the City of Menlo Park, native oak trees are protected at 10 inches DBH (diameter at breast height, 4.5 feet above grade), and all other trees are protected at 15 inches DBH. Street trees are protected regardless of size.

According to the Heritage Tree Ordinance Administrative Guidelines, the dollar value of replacement trees is determined as follows:

- One (1) #5 container \$100
- One (1) #15 container \$200
- One (1) 24-inch tree box \$400
- One (1) 36-inch tree box \$1,200
- One (1) 48-inch tree box \$5,000
- One (1) 60-inch tree box \$7,000

We highly recommend that all members of the project team familiarize themselves with the following documents guiding tree protection during construction in Menlo Park, as they are complex, and failure to follow them can result in project delays:

- 1. Heritage Tree Ordinance Administrative Guidelines https://www.menlopark.org/DocumentCenter/View/25577/Heritage-tree-ordinance-administrative-guidelines---draft
- 2. Arborist Report Requirements: Large Projects https://www.menlopark.org/DocumentCenter/View/25468/Arborist-report-large-proj

3. Tree Protection Specifications - https://www.menlopark.org/DocumentCenter/View/90/Tree-Protection-Specification
S

Observations

Trees

There are 17 trees on and adjacent to this property (Images 1-17, below). Five are Callery pears (*Pyrus calleryana*), four are stumps, two are coast live oaks (*Quercus agrifolia*), and the remaining six are of various species.

Protected statuses - only trees #8, 14, and 15 are Heritage Trees. Trees #9 and 13 are street trees. The rest are non-protected. Trees #6 and 17 overhang the property from adjacent properties.

Health - Most of the trees present are in reasonably good health, with the exception of the stumps.

Structural issues - eucalyptus #8 has poor structure resulting from utility clearance, and also appears to have been topped in the past beyond what is usually done for utilities. All other trees present have reasonably strong branching architecture.

OTHER NOTES

Current Site Conditions

This is a corner property with one existing one-story office-type commercial building. There is a landscaped area wrapping around the building on both street frontages, and a parking lot with two smaller landscaped areas wrapping around the other two sides.

There is a typical wooden fence along the western property line, and no fencing on the other three sides.

Project Features

A seven-story apartment building is proposed, to occupy most of the site. Parking will be on the first two floors. There appears to be landscaping proposed on the north, west, and south sides of the building. External bike parking areas are proposed at the southwest and southeast corners of the building.

No hardscape work is shown on the plans provided to me. Driveways and public sidewalks appear to be shown in the existing locations. A new walkway to the lobby/lounge doors will be needed on the south side toward the middle of the building. Other hardscape may also be needed.

No grading, drainage, utilities, or fencing are shown on the plans provided to me. Grading requirements appear minimal, as the site appears flat.

Potential Conflicts (Protected Trees Only)

Trees #1-7, 10-12, 16, and 17 - these trees are not protected and have not, therefore, been evaluated for potential conflicts.

Trees #3 and 10-12 are stumps.

Trees #8, 14, and 15 - these trees lie within the proposed building footprint. Tree #8 is in the proposed utilities area; tree #14 is in the proposed bike parking area; and tree #15 is in the proposed lobby/lounge.

Trees #9 and 13 - these street trees are small enough that their entire TPZs¹ are contained within the existing park strip, which appears to be proposed for retention.

Note that all tree locations are approximate, as no survey was provided.

Testing and Analysis

Tree DBHs were taken using a diameter tape measure if trunks were accessible. Multistemmed trees were measured below the point where the leaders diverge, if possible. The DBHs of trees with non-accessible trunks were estimated visually. All trees over four inches in DBH were inventoried, as well as street trees of all sizes.

¹ Tree protection zones. See Discussion, Tree Map, and Tree Table for more detail.

Vigor ratings are based on tree appearance and experiential knowledge of each species.

Tree location data was collected using a GPS smartphone application and processed in GIS software to create the maps included in this report. Due to the error inherent in GPS data collection, and due also to differences between GPS data and CAD drawings, tree locations shown on the map below are approximate.

We visited the site once, on 4/29/2022. All observations and photographs in this report were taken at that site visit.

The tree protection analysis in this report is based on the seven-page plan set titled "3705 Haven Ave, Menlo Park, CA," dated 4/11/2022, provided to us electronically by the client. No survey was provided.

Discussion

Tree Protection Zones (TPZs)

Tree roots grow where conditions are favorable, and their spatial arrangement is therefore unpredictable. Favorable conditions vary among species, but generally include the presence of moisture, and soft soil texture with low compaction.

Contrary to popular belief, roots of all tree species grow primarily in the top two to three feet of soil in the clay soils typical for this geographic region, with a small number of roots sometimes occurring at greater depths. Some species have taproots when young, but these almost universally disappear with age. At maturity, a tree's root system may extend out from the trunk farther than the tree is tall, and the tree maintains its upright position in much the same manner as a wine glass.

The optimal size of the area around a tree which should be protected from disturbance depends on the tree's size, species, and vigor, as shown in the following table (adapted from *Trees & Construction*, Matheny and Clark, 1998):

Species tolerance	Tree vitality ²	Distance from trunk (feet per inch trunk diameter)
Good	High	0.5
	Moderate	0.75
	Low	1
Moderate	High	0.75
	Moderate	1
	Low	1.25
Poor	High	1
	Moderate	1.25
	Low	1.5

It is important to note that some roots will almost certainly be present outside the TPZ; however, root loss outside the TPZ is unlikely to cause tree decline.

Some of the tree species present here are not evaluated in Trees & Construction. Our own evaluation of them based on our experience with the species is as follows:

Species	Estimated tolerance	Reason for tolerance rating
Crape myrtle	2	Performs well in most landscapes but grows relatively slowly
Zelkova	1	Disturbance tolerance unknown, so we have assigned this tree the lowest value.

Critical Root Zones (CRZs)

Although any root loss inside the TPZ may cause a short-term decline in tree condition, trees can often recover adequately from a small amount of root loss in the TPZ.

Tree stability is impacted at a shorter distance from the tree trunk. For linear cuts on one side of the tree, the minimum distance typically recommended is three times the DBH, measured from the edge of the trunk (*Best Management Practices: Root Management*, Costello, Watson, and Smiley, 2017). This is called the critical root zone (CRZ), as any distance shorter than this increases a tree's likelihood of failure.

² Matheny & Clark uses tree age, but we feel a tree's vitality more accurately reflects its ability to handle stress.

Tree Appraisal Methods

We use the trunk formula technique with discounting for condition and functional and external limitations, as detailed in the second printing of the 10th Edition of the *Guide for Plant Appraisal* (Council of Tree and Landscape Appraisers, 2019).

For palms, we use the approximate height of clear trunk (estimated visually) multiplied by the per-foot cost given in the regional plant appraisal committee species classification for California.

Conclusions

Trees #1-7, 16, and 17 - these trees are not protected and have not, therefore, been evaluated for construction impacts.

Trees #3 and 10-12 are stumps.

Trees #8, 14, and 15 - these trees are incompatible with the project as proposed.

Trees #9 and 13 - minimal impacts are likely from the project as proposed.

Trees #10-12 are stumps.

Note that all tree locations are approximate, as no survey was provided.

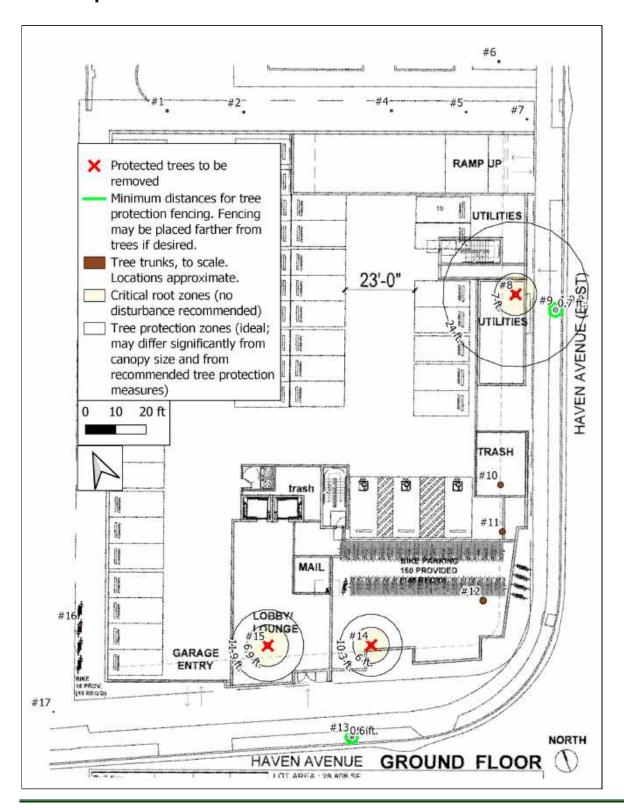
Recommendations

- 1. Remove trees #8, 14, and 15, upon receipt of a permit from the City of Menlo Park.
 - a. Unless otherwise specified by city staff, non-protected trees #1-5, 7, and 16 may be removed with no restrictions.³
- 2. Install tree protection fencing approximately as shown in the Tree Map, below.
 - a. Minimum distances from trunk centers are given on the Tree Map. A larger area may be protected if desired.
 - b. Where existing barriers which will be retained impede access comparably to tree protection fencing, these barriers are an acceptable substitute for tree protection fencing.
 - a. Please be aware that tree protection fencing may differ from ideal tree protection zones, and from canopy sizes.
 - c. Tree protection fencing shall comprise 6' chain link fabric mounted on 1.5" diameter metal posts driven into the ground.
 - d. Place a 6" layer of wood chips inside tree protection fencing.
 - e. Tree protection fencing shall adhere to the requirements in the document titled "Tree Protection Specifications," available at https://www.menlopark.org/DocumentCenter/View/90/Tree-Protection-Specifications
- 3. After construction is complete, install new trees or pay in-lieu fees to mitigate the removal of trees #8, 14, and 15, as specified by city staff.
 - a. The total appraised value of these trees is \$37,700.00, with individual values given in the Tree Table, below.

Prepared for 3705 Haven LLC by Aesculus Arboricultural Consulting on 5/30/2022

³ Note that trees #6 and 17 are on neighboring properties.

Tree Map



Supporting Photographs

Image 1: Callery pear #1



Image 2: Callery pear #2

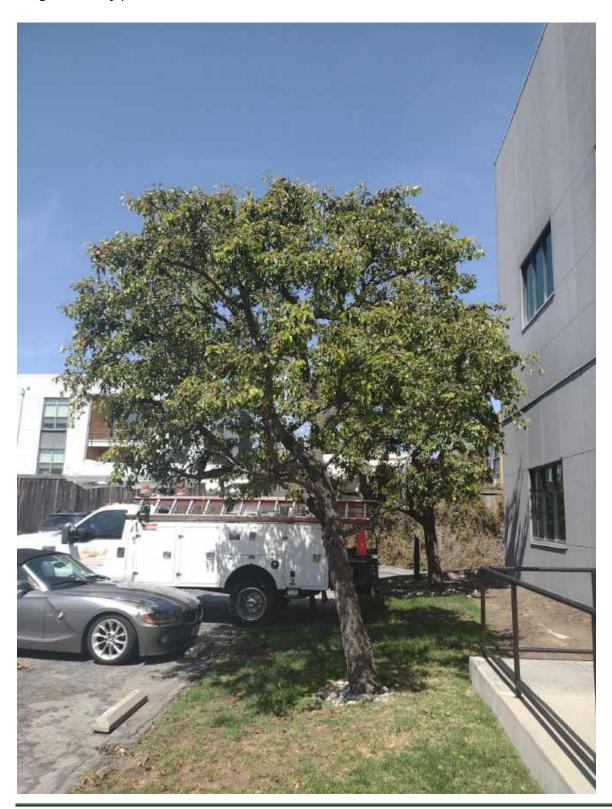


Image 3: stump #3



Image 4: Callery pear #4

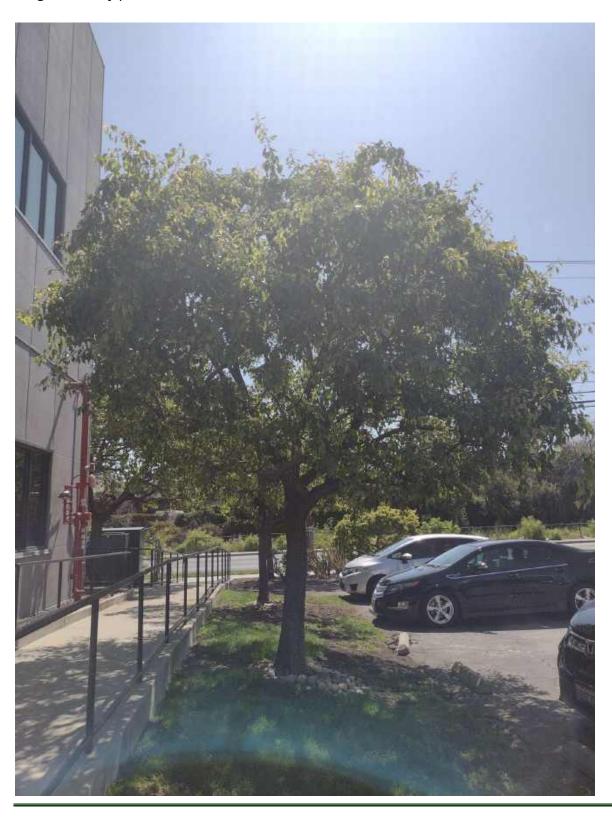


Image 5: Callery pear #5



Image 6: Callery pear #6

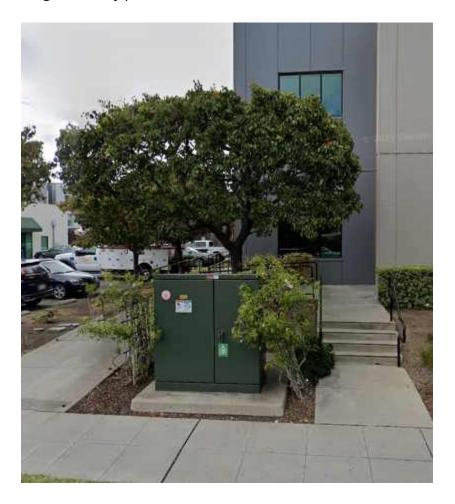


Image 7: Japanese maple #7



Image 8: eucalyptus #8



Image 9: crape myrtle #9

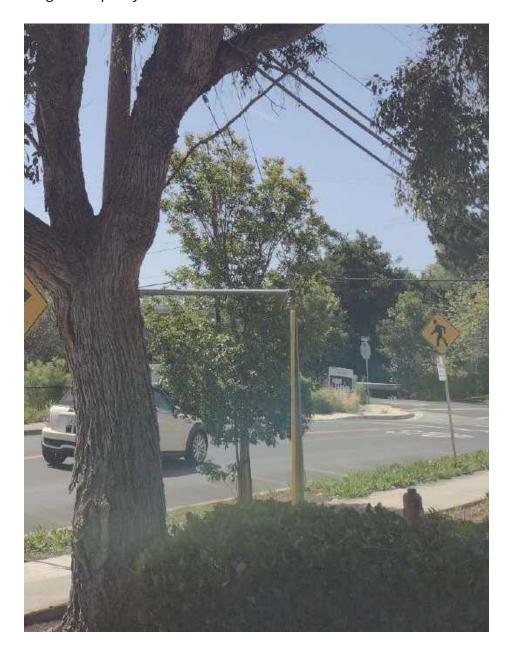


Image 10: stump #10



Image 11: stump #11



Image 12: stump #12



Image 13: linden #13

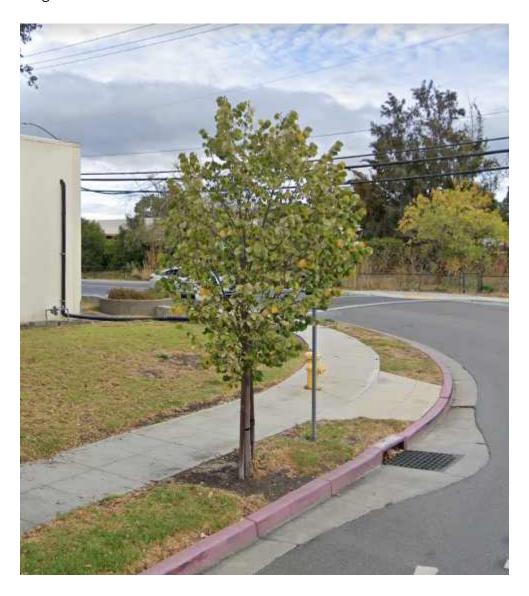


Image 14: coast live oak #14

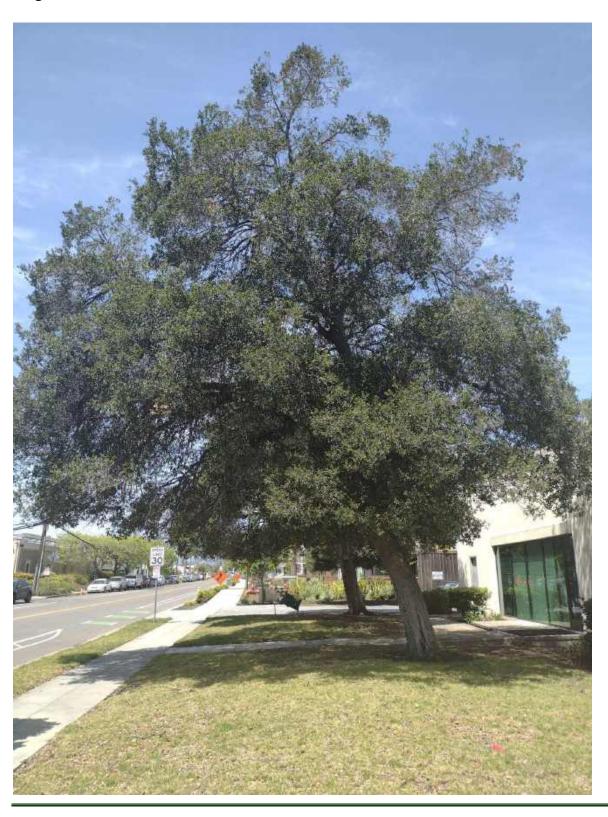


Image 15: coast live oak #15



Image 16: coast redwood #16

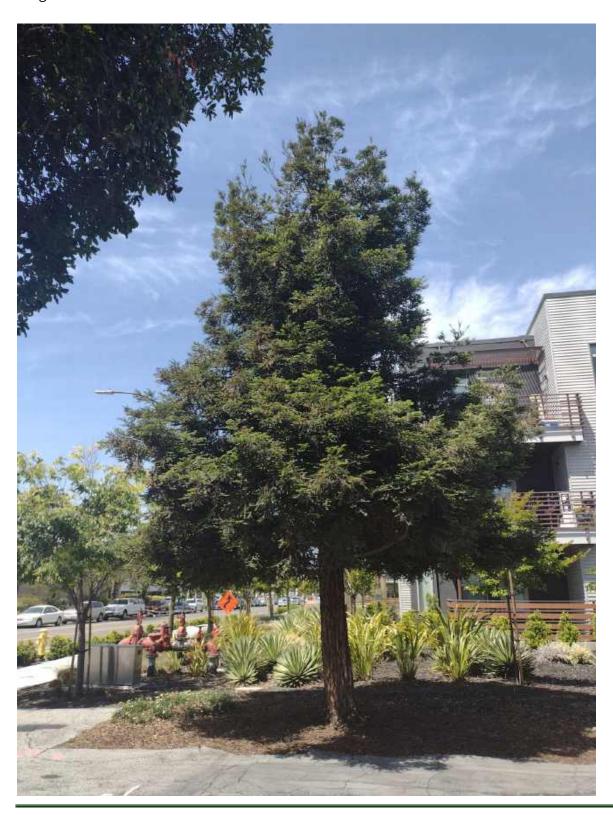
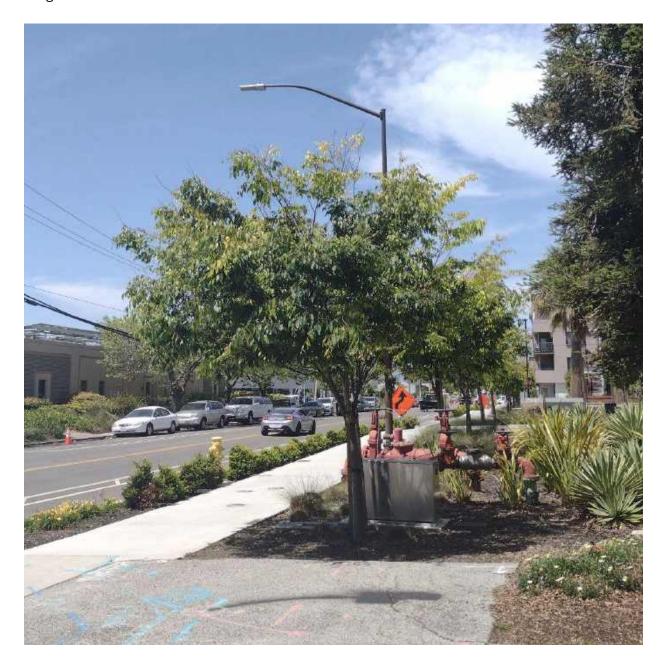


Image 17: zelkova #17



Respectfully submitted,

Karlin Mash

Katherine Naegele

She/Her

Consulting Arborist

Master of Forestry, UC Berkeley

International Society of Arboriculture Certified Arborist #WE-9658A

ISA Tree Risk Assessment Qualification Credentialed

American Society of Consulting Arborists, Member

katherine@aacarbor.com

(408) 201-9607 (direct cell)

(408) 675-1729 (main cell)

aacarbor.com

Yelp





Terms of Assignment

The following terms and conditions apply to all oral and written reports and correspondence pertaining to the consultations, inspections, and activities of Aesculus Arboricultural Consulting:

- 1. All property lines and ownership of property, trees, and landscape plants and fixtures are assumed to be accurate and reliable as presented and described to the consultant, either orally or in writing. The consultant assumes no responsibility for verification of ownership or locations of property lines, or for results of any actions or recommendations based on inaccurate information.
- 2. It is assumed that any property referred to in any report or in conjunction with any services performed by Aesculus Arboricultural Consulting is in accordance with any applicable codes, ordinances, statutes, or other governmental regulations, and that any titles and ownership to any property are assumed to be good and marketable. The existence of liens or encumbrances has not been determined, and any and all property is appraised and/or assessed as though free and clear, under responsible ownership and competent management.
- 3. All reports and other correspondence are confidential and are the property of Aesculus Arboricultural Consulting and its named clients and their assigns or agents. Possession of this report or a copy thereof does not imply any right of publication or use for any purpose, without the express permission of the consultant and the client to whom the report was issued. Loss, removal, or alteration of any part of a report invalidates the entire appraisal/evaluation.
- 4. The scope of any report or other correspondence is limited to the trees and conditions specifically mentioned in those reports and correspondence. Aesculus Arboricultural Consulting assumes no liability for the failure of trees or parts of trees, inspected or otherwise. The consultant assumes no responsibility to report on the condition of any tree or landscape feature not specifically requested by the named client.
- 5. All inspections are limited to visual examination of accessible parts, without dissection, excavation, probing, boring or other invasive procedures, unless otherwise noted in the report, and reflect the condition of those items and features at the time of inspection. No warranty or guarantee is made, expressed or implied, that problems or deficiencies of the plants or the property will not occur in the future, from any cause. The consultant shall not be responsible for damages caused by any tree defects, and assumes no responsibility for the correction of defects or tree related problems.
- 6. The consultant shall not be required to provide further documentation, give testimony, be deposed, or to attend court by reason of this appraisal/report unless subsequent contractual arrangements are made, including payment of additional fees for such services as set forth by the consultant or in the fee schedule or contract.
- 7. Aesculus Arboricultural Consulting makes no warranty, either expressed or implied, as to the suitability of the information contained in any reports or correspondence, either oral or written, for any purpose. It remains the responsibility of the client to determine applicability to his/her particular case.
- 8. Any report and the values, observations, and recommendations expressed therein represent the professional opinion of the consultant, and the fee for services is in no manner contingent upon the reporting of a specified value nor upon any particular finding.
- 9. Any photographs, diagrams, charts, sketches, or other graphic material included in any report are intended solely as visual aids, are not necessarily to scale, and should not be construed as engineering reports or surveys unless otherwise noted in the report. Any reproduction of graphic material or the work product of any other persons is intended solely for clarification and ease of reference. Inclusion of said information does not constitute a representation by Aesculus Arboricultural Consulting as to the sufficiency or accuracy of that information.

Tree #	Common Name	Species	DBH (in.)	Vitality (0-3)	Structure (0-3)	Heritage Tree?	Street Tree?	Off-Site Tree?	Suitability for preservation (0-3)	Remove?	Appraised Value	Species Construction Tolerance (1 = poor, 3 = good)	TPZ radius (ideal; ft. from center of trunk)	CRZ radius (ideal; ft. from center of trunk)	Expected Impacts	Notes
1	Callery pear	Pyrus calleryana	11.5	3	2				3		-	-	-	-	-	-
2	Callery pear	Pyrus calleryana	9.1	2	2				2		-	1	-	-	-	-
3	Stump	-	0.0	0	0				-		-		-	-	-	-
4	Callery pear	Pyrus calleryana	10.0	3	2				3		-	1	-	-	-	-
5	Callery pear	Pyrus calleryana	7.0	2	2				2		-	1	-	-	-	-
6	Callery pear	Pyrus calleryana	10.0	3	2			Х	3		-	1	-	-	-	Neighboring tree
7	Japanese maple	Acer palmatum	6.9	3	2				3		-	-	-	-	-	-
8	Eucalyptus	Eucalyptus sp.	24.0	2	2	Х			2		\$12,500.00	2	24.0	7.0	REMOVE - incompatible with building footprint	-
9	Crape myrtle	Lagerstroemia indica	2.5	3	2		X		3		-	2	1.9	0.7	Minimal	-
10	Stump	-	25.0	0	0				-		-	1	-	-	-	-
11	Stump	-	22.9	0	0				1		-	1	-	-	-	-
12	Stump	-	27.0	0	0				-		-	-	-	-	-	-
13	Linden	Tilia sp.	2.0	3	2		Х		3		-	2	1.5	0.6	Minimal	-
14	Coast live oak	Quercus agrifolia	20.5	3	2	Х			3		\$10,800.00	3	10.3	6.0	REMOVE - incompatible with building footprint	-
15	Coast live oak	Quercus agrifolia	23.7	3	2	Х			3		\$14,400.00	3	11.9	6.9	REMOVE - incompatible with building footprint	-
16	Coast redwood	Sequoia sempervirens	14.4	3	3				3		-	-	-	-	-	-
17	Zelkova	Zelkova serrata	5.0	3	3			Χ	3		-	-			-	Neighboring tree.

5/30/2022

LOCATION: 3705	PROJECT NUMBER:	APPLICANT: Ruby	OWNER: 3705 Haven
Haven Avenue	PLN2022-00048	Huang	LLC

 The use permit and architectural control permit shall be subject to the following standard conditions:

Planning Division Conditions:

- a. The Project Proponent (for purposes of these conditions, Project Proponent refers to the owner, applicant, developer, or any other entity or person who may seek to develop the Project) shall be required to apply for a building permit within one year from the date of approval (by February 24, 2026) for the use permit to remain in effect.
- b. Development of the Project, defined as the project plans and supporting documents, shall be substantially in conformance with the plans prepared by LDP Architecture, attached to the February 24, 2025 Planning Commission staff report and consisting of 85 plan sheets, dated received on January 17, 2025 (hereinafter the "Plans"). The Plans are incorporated by reference herein. The Plans may only be modified by the conditions contained herein (conditions 1c. and 1d.), subject to review and approval of the Community Development Director or their designee.
- Substantially consistent and minor modifications to building exteriors and locations, fence styles and locations, signage, and significant landscape features may be approved in writing by the Community Development Director or designee, based on the determination that the proposed modification is consistent with other building and design elements of the approved architectural control permit and will not have an adverse impact on the character and aesthetics of the site. Substantially consistent modifications are modifications to the development that do not increase the intensity or density of the Project or the allowed uses. The Director may refer any request for revisions to the plans to the Planning Commission. If the Director refers the plans to the Planning Commission, the Director shall provide written documentation of the Director's determination that the modification is substantially consistent and a member of the Planning Commission may request to discuss these modifications on the next agenda within 72 hours of notification of the modifications by the Community Development Director, Further environmental review and analysis may be required if such changes necessitate further review and analysis pursuant to the California Environmental Quality Act.
- d. Major modifications to the development plan which involve material expansion or intensification of development, modifications to the permitted uses, modifications to the architectural design, including materials and colors, or include additional waivers or incentives may be allowed subject approval of architectural control permit and use permit revisions from the Planning Commission.
- e. The Project shall adhere to all ordinances, plans, regulations and specifications of the City of Menlo Park in effect on the date the Project applicant submitted its SB 330 preliminary application containing all the information required by Government Code section 65941.1(a) (here, December 23, 2022), and all applicable regional, State, and Federal laws and regulations.
- f. Prior to building permit issuance, the Project Proponent shall comply with all requirements of the Building Division, Engineering Division, and Transportation Division that are directly applicable to the Project.

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- g. Prior to building permit issuance, the Project Proponent shall comply with all Sanitary District, Menlo Park Municipal Water (MPMW), Menlo Park Fire Protection District, and utility companies' regulations that are directly applicable to the Project.
- h. All outstanding and applicable fees associated with the processing of these Project entitlements, as those fees existed when the Project's SB 330 preliminary application was submitted, shall be paid prior to the issuance of the first building permit for any phase of the Project unless explicitly specified otherwise herein.
- i. The Project Proponent shall pay all impact fees prior to any building permit issuance, unless deferred pursuant to Gov. Code § 66007. The impact fees shall be calculated based on the rates in effect at the time of payment, subject to the limitations of the preliminary application. Refer to City of Menlo Park Master Fee Schedule.
- j. The Project Proponent or permittee shall defend, indemnify, and hold harmless the City of Menlo Park or its agents, officers, and employees from any claim, action, or proceeding against the City of Menlo Park or its agents, officers, or employees to attack, set aside, void, or annul an approval of the Planning Commission, City Council, Community Development Director, or any other department, committee, or agency of the City concerning a development, variance, permit, or land use approval which action is brought within the time period provided for in any applicable statute; provided, however, that the Project Proponent's duty to so defend, indemnify, and hold harmless shall be subject to the City's promptly notifying the Project Proponent of any said claim, action, or proceeding and the City's full cooperation in the Project Proponent's or permittee's defense of said claims, actions, or proceedings.
- k. Notice of Fees Protest The Project Proponent may protest any fees, dedications, reservations, or other exactions imposed by the City as part of the approval or as a condition of approval of this development within the time limits set forth in Gov. Code Section 66020, which authorizes the filing of a protest within 90 days after the imposition of the fees, dedications, reservations, or other exactions to be imposed on the Project.

Building Division Conditions:

- I. Simultaneous with the submittal of any complete building permit application, the Project Proponent shall submit plans verifying that the Project complies with all applicable requirements of Menlo Park Municipal Code Title 12 (Buildings and Construction), subject to review and approval by the City Building Official or designee.
- m. The Project is subject to the California Building Standards Code in effect at the time of submittal of each building permit application and any adopted local amendments that were in effect at the time of submission of the Project's SB 330 preliminary application.
- n. The Project is subject to the California Green Building Standards Code (CalGreen) in effect at the time of submittal of each complete building permit application and any local amendments to the Code that were in effect at the time of submission of the Project's SB 330 preliminary application. Other forms of green building checklists will not be acceptable in-lieu of the CalGreen requirements.
- o. Each complete building permit application shall include all unit plans for that Project to be fully drawn and detailed, including mirrored plans. Further, all residential building

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plans are required to include drawings for mirrored units including structural, mechanical, electrical, and plumbing plan sheets.

- p. Each occupancy and unit set forth in the Plans shall have the required fire protection systems, allowable building height and separations per Table 508.4 of the California Building Code (CBC) in effect at the time of building permit submittal. No later than upon the submittal of a complete building permit application, the Project Proponent shall include documentation the Plans have been reviewed and approved by the Menlo Park Fire Protection District.
- q. Prior to issuance of any building permit for the Project, Project Proponent shall clearly indicate compliance with all conditions of approval applicable to the Project and/or provide written explanations regarding any inability to satisfy applicable conditions of approval for the building, subject to review and approval by the Community Development Director or their designee.
- r. The complete building permit application shall include construction documents needed to identify the location of electric vehicle (EV) spaces as required by Cal Green Building Standards code (CalGreen) and Menlo Park City Ordinance 12.18 as it existed when the Project's SB 330 preliminary application was submitted. Construction documents need to show specific requirements outlined in the codes referenced above. The electric vehicle parking spaces will have to conform to the requirements of CBC 406.9, as well as the accessibility requirements of the CBC chapters 11A and 11B.
- s. A list of all deferred submittals for each building permit, other than trusses, shall be approved by the Building Official or their designee prior to submittal of each complete building permit application.
- t. All detached structures require their own building permit and are required to meet all applicable Building Code requirements associated with their occupancy and location on the site.
- u. Prior to building permit issuance, Project Proponent shall coordinate with West Bay Sanitary District to confirm the existing sanitary sewer mains and service laterals have sufficient capacity for the Project. If the existing sanitary sewer mains and service laterals are not sufficient as determined by West Bay Sanitary District, Project Proponent may, as part of the Project, be required to construct and install new sanitary sewer mains and service laterals sufficient to meet such requirements.
- v. Each complete building permit application shall include pedestrian protection along the public right-of-way with sidewalks, as required per the requirements of the CBC in effect at the time of submittal of a complete building permit application, subject to review and approval of the Building Official or their designee.
- w. The Project Proponent shall submit a plan for construction safety fencing around the periphery of the construction area or the periphery of the Project Site as part of each plan set associated with a building permit application. The fences shall be installed according to the plan prior to commencing construction for each individual building permit. The plan shall be reviewed and approved by the Building and Planning Divisions prior to issuance of a building permit.

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- x. Each complete building permit application shall include details regarding protection of adjoining property, as required per the requirements of CBC in effect at the time of submittal of each complete permit application.
- y. At Project Proponent's election, building permit and issuance for the vertical construction, may be processed in incremental submittals such as the following, subject to review and acceptance of the Building Division:
 - i. Foundation design including piles and pile caps, if proposed
 - ii. Structural/ Core and Shell
 - iii. Interior improvements
 - iv. Site improvements (trash enclosures, site lighting, etc.) and landscaping
- z. Site Improvement Plans are to be prepared and submitted for building permit application and issuance after plan check approval as independent plan sets in the following formats:
 - i. Demolition Plans of existing building
 - ii. Demolition of existing underground infrastructure
 - iii. Grading Plans
 - iv. Off-Site Civil improvements Streets, Utilities and Streetscape Improvements (Encroachment permit through Public Works)
 - v. On-Site Civil improvements sanitary sewer, water mains, stormdrain system. The grading plans can be included as part of this permit.

The building permits for the demolition of the existing buildings are required to receive an approved Final inspection prior to the issuance of the building permit for the Grading/On-Site Civil improvements.

aa. Each complete building permit application shall include details demonstrating that all sanitary sewer lines will gravity feed to the sewer mains in the public right-of-way unless otherwise approved by the Building Official or their designee.

Housing Division Condition:

bb. Prior to issuance of foundation building permit, the Project Proponent shall execute and record in the San Mateo County Recorder's office the below market rate (BMR) Housing Agreement for the rental BMR units.

Engineering Division Conditions:

- cc. Prior to building permit issuance, Project Proponent shall coordinate with Menlo Park Municipal Water (MPMW) to confirm the existing water mains and service laterals meet the domestic and fire flow requirements of the Project. If the existing water main and service laterals are not sufficient as determined by MPMW, the Project Proponent may, as part of the Project, be required to construct and install new water mains and service laterals sufficient to meet such requirements, subject to review and approval by the Public Works Director or their designee.
- dd. Prior to commencing any work within the right-of-way or public easements, the Project Proponent shall obtain an encroachment permit from the appropriate reviewing jurisdiction subject to review and approval by the Planning, Building and Engineering Division.

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- ee. All public right-of-way improvements, including frontage improvements and the dedication of easements and public right-of-way, shall be completed to the satisfaction of the Engineering Division and Transportation Division prior to granting of the first occupancy permit.
- ff. Simultaneous with the submittal of any building permit application, and before such application can be determined to be complete, the Project Proponent shall submit all applicable engineering plans for Engineering review and approval. The plans shall include, but are not limited to:
 - i. Existing Topography (NAVD 88)
 - ii. Demolition Plan
 - iii. Site Plan (including easement dedications)
 - iv. Construction Parking Plan
 - v. Grading and Drainage Plan
 - vi. Stormwater Control Plan
 - vii. Utility Plan
 - viii. Erosion Control Plan
 - ix. Planting and Irrigation Plan
 - x. Off-site Improvement Plan
 - xi. Construction Details
 - xii. Joint Trench Plan

The Project Proponent shall agree to furnish any additional engineering services or plans as required by the Engineering Division not mentioned herein.

- gg. Simultaneous with the submittal of any building permit application, the Project Proponent shall submit plans showing required frontage improvements, which shall include, but are not limited to:
 - i. Lateral connections to overhead electric, fiber optic, and communication lines shall be placed in a joint trench.
 - ii. All overhead lines shall be placed underground along Haven Ave. frontage.
 - iii. Existing sidewalk, curb and gutter and landscape strip shall be removed and replaced along the entire Project frontages per approved project plans.
 - iv. 3" grind and overlay for the entire project frontage (curb to curb).
 - v. Green Infrastructure (GI) per approved project plans.
 - vi. New streetlight per approved project plans.
- hh. Simultaneous with the submittal of any building permit application, the Project Proponent shall submit plans to remove and replace any damaged and significantly worn sections of frontage improvements. The plans shall be submitted for the review and approval of the Engineering Division.
- ii. Simultaneous with the submittal of any building permit application, the Project Proponent shall submit plans for:
 - i. Construction-related activities:
 - 1. Parking management for construction workers, ensuring adequate parking for all trades.
 - 2. Construction staging and material storage.
 - 3. Traffic Control Handling Plan (TCHP), including construction phasing and anticipated traffic handling methods for each phase.

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- ii. Environmental and safety measures:
 - 1. Construction safety fences around the construction area.
 - 2. Dust control and air pollution control measures.
 - 3. Erosion and sedimentation control measures.
 - 4. Tree protection fencing.
 - 5. Construction vehicle parking.

These plans shall be reviewed and approved by the Building, Engineering, and Planning Divisions. Fences, erosion, and sedimentation control measures must be installed prior to commencing construction, in accordance with the approved plan.

- jj. Simultaneous with the submittal of any building permit application, the Project Proponent shall submit a Grading and Drainage Plan, subject to review and approval by the Engineering and Building Divisions.
- kk. Post-construction runoff into the storm drain shall not exceed pre-construction runoff levels.
- II. Simultaneous with the submittal of any building permit application, Project Proponent shall submit a plan for any new utility installations or upgrades for review and approval of the Planning, Engineering and Building Divisions. Utility equipment shall meet the applicable requirements of Chapter 16.45.120(6)(B) of the Menlo Park Zoning Ordinance as it existed when the Project's SB 330 preliminary application was submitted. All utility equipment that is installed outside of a building and that cannot be placed underground shall be concealed or integrated into the building design to the extent feasible, as determined by the Public Works Director. The plan shall show exact locations of all meters, back flow prevention devices, transformers, junction boxes, relay boxes, and other equipment boxes.
- mm. If construction is not complete by the start of the wet season (October 1 through April 30), the Project Proponent shall implement a winterization program to minimize the potential for erosion and sedimentation. The terms of such program may be outlined in a Stormwater Pollution Prevention Program, as discussed below. As appropriate to the site and status of construction, winterization requirements shall include inspecting/maintaining/cleaning all soil erosion and sedimentation controls prior to, during, and immediately after each storm event; stabilizing disturbed soils through temporary or permanent seeding, mulching, matting, tarping or other physical means; rocking unpaved vehicle access to limit dispersion of much onto public right-of-way; and covering/tarping stored construction materials, fuels, and other chemicals. Prior to building permit issuance the plans should include proposed measures to prevent erosion and polluted runoff from all site conditions shall be submitted for review and approval of the Engineering Division at least two months prior to October 1 (i.e., the beginning of the wet season).
- nn. Stormwater Pollution Prevention Program Best Management Practices (BMPs) for construction shall be implemented to protect water quality, in accordance with the approved Stormwater Pollution Prevention Plan (SWPPP). BMP plan sheets are available electronically for inserting into project plans.
- oo. Proposed street tree/s shall be from the City-approved street tree species or to the satisfaction of City Arborist.

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- pp. During the design phase of the construction drawings, all potential utility conflicts shall be potholed with actual depths recorded on the improvement plans submitted for review and approval of the Engineering Division.
- qq. Simultaneous with the submittal of any building permit application, the Project Proponent shall submit a utility plan that shows undergrounding of on-site utilities, subject to the approval of the Engineering Division.
- rr. Simultaneous with the submittal of any building permit application, the Project Proponent shall submit engineered Off-Site Improvement Plans (including specifications & engineers cost estimates), for approval by the Engineering Division, showing the infrastructure necessary to serve the Project. Off-Site Improvement Plans shall be approved by the Engineering Division prior to building permit issuance. The Improvement Plans shall include, but are not limited to, all engineering calculations necessary to substantiate the design, proposed roadways, drainage improvements, utilities, traffic control devices, retaining walls, sanitary sewers, and storm drains, pump/lift stations, street lightings, common area landscaping and other project improvements. All public improvements shall be designed and constructed to the satisfaction of the Engineering Division.
- ss. Irrigation within public right of way shall comply with City Standard Details LS-1 through LS-19 and shall be connected to the on-site water system.
- tt. Prior to issuance of each building permit, the Project Proponent shall pay all Public Works fees, as those fees existed when the Project's SB 330 preliminary application was submitted, related to processing of the permit.
- uu. Prior to issuance of each building permit the Project Proponent shall pay the applicable Building Construction Street Impact Fee in effect at the time of payment, subject to the limitations of the Project's SB 330 preliminary application, unless deferral of payment is allowed pursuant to Gov. Code § 66007. The current fee is calculated by multiplying the valuation of the construction by 0.0058.
- vv. Simultaneous with the submittal of any building permit application, the Project Proponent shall provide documentation indicating the amount of irrigated landscaping. The Water-Efficient Landscaping Ordinance (WELO) applies to all new landscapes exceeding 500 square feet and rehabilitated landscapes exceeding 1,000 square feet associated with projects requiring city review and approval. If the Project is subject to the City's Water Efficient Landscaping Ordinance (Municipal Code Chapter 12.44) as it existed when the Project's SB 330 preliminary application was submitted, submittal of a detailed landscape plan would be required concurrently with the submittal of a complete building permit application, the landscaping shall be installed prior to final building inspection. The Project Proponent shall submit a landscape audit report prior to final building inspection
- ww. If the Project is creating more than 5,000 square feet of irrigated landscaping, per the City's Water Efficient Landscape Ordinance (Municipal Code Chapter 12.44) the irrigation system is required to have a separate water service.
- xx. The Project Proponent shall retain a civil engineer to prepare "as-built" or "record" drawings of public improvements, and the drawings shall be submitted in AutoCAD and Adobe PDF formats to the Engineering Division prior to final occupancy.

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- yy. Prior to any building permit issuance, the Project Proponent must submit a draft "Stormwater Treatment Measures Operations and Maintenance (O&M) Agreement" to the City for review and approval by the Engineering Division. This agreement, which makes the property owner responsible for the operation and maintenance of stormwater treatment measures, must be executed and recorded with the San Mateo County Recorder's Office prior to final inspection.
- zz. Prior to any building permit issuance, the Project Proponent shall submit a finalized version of the Stormwater Control Plan, which shall provide stormwater treatment for the Project site pursuant to the latest regulations specified in the San Mateo County C.3 Technical Guidance Manual. The Stormwater Control Plan shall include a written report identify existing and proposed project conditions, and all applicable source controls, and mitigation measures (i.e. bioretention areas, flow through planters, etc.) implemented to meet NPDES compliance. The Stormwater Control Plan shall be subject to review and approval by the Engineering Division.
- aaa. Heritage trees in the vicinity of the Project shall be protected pursuant to the Heritage Tree Ordinance, as it existed when the Project's SB 330 preliminary application was submitted, and the arborist report prepared by Aesculus Arboricultural Consulting, dated March 30, 2022, subject to the satisfaction of the City Arborist.
- bbb. The Project Proponent shall keep the property in a clean and sanitary condition at all times, maintain its site in a fashion that does not constitute a public nuisance and that does not violate any provision of the City of Menlo Park Municipal Code.
- ccc.Once construction is finished, to the extent required by FEMA, the relevant as-built data must be provided to FEMA to ensure compliance with any applicable FEMA standards and regulations.
- ddd. Discharges from the garage ramp and parking areas are not allowed into the storm drain system. Discharge must be treated with an oil/water separator and must connect to the sanitary sewer system. This will require a permit from West Bay Sanitary District.
- eee. Prior to issuance of any Project-related building permit, the Project Proponent shall submit plans for construction related parking management, construction staging, material storage, and a Traffic Control Handling Plan (TCHP) to be reviewed and approved by the City. The plan shall include construction phasing and anticipated method of traffic handling. The existing sidewalk and bike lanes or an acceptable pedestrian and bicycle pathways along Project's frontage shall be provided during all construction phases except when the new sidewalk is being constructed. The Project Proponent shall secure adequate parking for any and all construction trades, until the parking podium is available on the Project site. The plan shall include construction phasing and anticipated method of traffic handling for the building for review and approval by the Engineering and Transportation Division.
- fff. Prior to issuance of any building permit, the Project Proponent shall provide plans showing minimum pipe separations between each utility line per City Standard Details.
- ggg. All water meters shall be installed within the public right-of-way or within an easement if installed behind the right-of-way line. On-site water systems shall be privately owned and maintained.

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hhh. The Project Proponent shall coordinate directly with Menlo Park Municipal Water for review of existing and proposed water service connections. Additional application fees are required, including Water Capacity Charges per adopted water rates.

2. The architectural control and use permit shall be subject to the following *project-specific* conditions:

Planning Division Conditions

- a. Simultaneous with the submittal of any building permit application, the Project Proponent shall enroll in EPA Energy Star Building Portfolio Manager. Prior to building permit final inspection, the Project Proponent shall submit documentation showing compliance to the satisfaction of the Planning and Building Divisions.
- b. Simultaneous with the submittal of any building permit application, the Project Proponent shall submit an updated LEED Checklist for the project, subject to review and approval of the Planning Division. The Checklist shall be prepared by a LEED Accredited Professional (LEED AP). The LEED AP shall submit a cover letter stating their qualifications, and confirm that they have prepared the LEED Checklist and that the information presented is accurate. Confirmation that the Project conceptually achieves LEED Gold certification standards shall be required before issuance of the superstructure building permit for the Project building. Prior to occupancy or at a later time agreed upon between the City and the Project Proponent, the Project shall submit verification from either Green Business Certification, Inc., or a third-party verifier that the development has achieved the points needed for a final LEED Gold certification.
- c. Simultaneous with the submittal of any building permit application, the Project Proponent shall submit an updated Recology approval letter to reflect Recology's confirmation that it can serve 112 units, not only the99 units reflected in Recology's current approval letter.
- d. Simultaneous with the submittal of any building permit application, the Project Proponent shall submit a zero-waste management plan for the Project to the City, which will cover how the Project Proponent plans to minimize waste to landfill and incineration in accordance with all applicable state and local regulations, including compliance with the applicable requirements of Chapter 16.45.130(5)(A) of the Zoning Ordinance as it existed when the Project's SB 330 preliminary application was submitted. The Project Proponent shall show in its zero-waste plan how it will reduce, recycle and compost wastes for the Project. Zero Waste plan elements shall include the property owner's assessment of the types of waste to be generated during occupancy, and a plan to collect, sort and transport materials to uses other than landfill and incineration. The plan shall be subject to the satisfaction of the Planning Division and Sustainability Manager or their designee.
 - i. Simultaneous with the submittal of any building permit application, notwithstanding the above condition, the Project Proponent shall incorporate required zero waste infrastructure into the plans showing:

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- 1. Proper labels to distinguish the three waste bin systems (garbage, recycling, and compost) throughout the building.
- 2. Label the chutes for recycling and for garbage.
- 3. Each unit having sufficient room under the kitchen sink or a pull-out drawer to fit three waste stream bin system.
- 4. Three-waste stream bin systems with labels for the pool clubhouse, business center, outdoor seating area and on the roof deck on levels five and eight.
- 5. Bottle filling stations for the gym and pool clubhouse
- 6. Dishwasher in the pool clubhouse
- 7. Show a three-waste stream bin system with labels.
- 8. Complete the zero waste management plan form available on the <u>City</u> website.
- e. Prior to issuance of the first occupancy permit, the Project Proponent shall submit plans and supporting documentation to the Building and Planning Divisions documenting that the Project meets one hundred percent of its energy demand (electricity and natural gas), as required by Chapter 16.45.130(2)(A) of the Zoning Ordinance as it existed when the Project's SB 330 preliminary application was submitted, through one or the combination of the following measures:
 - i. On-site energy generation;
 - Purchase of 100% renewable electricity through Peninsula Clean Energy or Pacific Gas and Electric Company in an amount equal to the annual energy demand of the Project;
 - iii. Purchase and installation of local renewable energy generation within the City of Menlo Park in an amount equal to the annual energy demand of the Project;
 - iv. Purchase of certified renewable energy credits and/or certified renewable energy offsets annually in an amount equal to the annual energy demand of the Project.

Following issuance of the final occupancy permit, the Project Proponent shall submit an annual report on 1st January of every year demonstrating that all tenants of the building have purchased or used 100% renewable energy or otherwise complied with Section 16.45.130(2)(A) of the Zoning Ordinance (as it existed when the Project's SB 330 Preliminary Application was submitted) to the Community Development Director or their designee for their review and approval. The report shall also include the total amount of diesel fuel used to power any on-site diesel generators for testing or during power outages. The Project Proponent may submit documentation to the City prior to the granting of the first occupancy for the Project building, documenting that the amount of on-site or off-site renewable energy generation would, at a minimum, equal the estimated amount of non-renewable energy used at the Project site. The report may be submitted in lieu of annual monitoring, subject to review and approval of the Community Development Director with input from the Building, Planning, and Sustainability Divisions, as applicable.

f. Simultaneous with the submittal of a building permit application for the Project building, the Project Proponent shall submit an updated landscaping water budget accompanying calculations following the methodology approved by the City and consistent with submitted building permit plans for 100,000 square feet or greater and,

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per the requirements of Section 16.45.130(3)(C) as it existed when the Project's SB 330 preliminary application was submitted. The water budget and calculations shall be reviewed and approved by the City's Public Works Director prior to certification of occupancy for the Project. On January 1 of the year following the first full calendar year after the date of the granting of final occupancy the apartment building property management or HOA, as applicable, shall submit data and information sufficient to allow the city to compare the actual water use to the allocation in the approved water budget. In the event that actual water consumption exceeds the water budget, a water conservation program, as approved by the city's Public Works Director, shall be implemented for the portion or phase of the Project that exceeds the water budget. Twelve (12) months after City approval of the water conservation program for the apartment building, the property management, Project Proponent, or HOA, as applicable, shall submit data and information sufficient to allow the city to determine compliance with the conservation program. If water consumption exceeds the budgeted amount, the city's Public Works Director may prohibit the use of water for irrigation or enforce compliance as an infraction pursuant to Chapter 1.12 of the City Municipal Code against the portion or phase of the Project exceeding the water budget until compliance with the water budget is achieved.

- g. Prior to framing inspection for the building requiring stucco, the Project Proponent shall construct an in-field mock-up to demonstrate that the exterior stucco is smooth troweled, per the requirements of Chapter 16.45.120(6)(F) of the Zoning Ordinance as it existed when the Project's SB 330 preliminary application was submitted, to the satisfaction of the Community Development Director or their designee. The Project Proponent may submit a physical sample of the stucco to staff to review in-lieu of the field mock-up, subject to approval of the Planning Division. The Planning Division may determine through its review of a physical sample that a field mock-up is still required to confirm compliance with the Zoning Ordinance.
- h. During all phases of construction, potable water shall not be used for dust control.
- During all phases of construction and after final inspection for the life of the Project, rodenticides shall not be used on the property in accordance with Section 16.45.130(6)(G) of the Zoning Ordinance.
- j. The Applicant shall diligently pursue the Project's construction through to completion, and, if at any point after building permits have been issued, the Project Proponent abandons construction, the Project Proponent shall demolish the uncompleted portions of the Project and restore the site to rough grade condition and shall take reasonable measures to protect public health and safety, protect the building structure from the elements, screen unsightly elements from view (such as fencing, painting or attractive screens or coverings), and maintain temporary landscaping, to the satisfaction of the Planning Division.
- k. If the Project Proponent leaves any construction in an unfinished state for more than seven (7) consecutive days, the Project Proponent shall keep the construction site clean and properly secured per best management standards and to the satisfaction of the Building and Engineering Divisions.
- I. If the Project Proponent leaves any construction in an unfinished state for more than one hundred and twenty (120) consecutive days, the Project Proponent shall take

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reasonable measures to protect public health and safety, protect the building structure from the elements, screen unsightly elements from view (such as fencing, painting or attractive screens or coverings), and maintain temporary landscaping, to the satisfaction of the Planning Division.

- m. Simultaneous with the submittal of the first complete building permit application, the Project Proponent shall submit a plat and legal description and proposed form of irrevocable easement agreement for public utilization of the publicly accessible open space, to the satisfaction of the Public Works Director and City Attorney. The form of irrevocable easement shall ensure, to the satisfaction of the City, that the Project Proponent has reasonable control over the publicly accessible open space and that the publicly accessible open space is accessible to the general public, in perpetuity during reasonable hours of each day of the week.
 - The irrevocable easement agreement requires City Manager approval and shall be recorded with the County of San Mateo prior to granting of the first unit and/or building occupancy.
- n. Heritage tree replacements, required as part of the approval of heritage tree permit HTR2022-00164, shall be planted on the Project site to the satisfaction of the City Arborist and Planning Division prior to final building permit inspection and consistent with the Project's arborist report prepared by Aesculus Arboricultural Consulting, on March 30, 2022.
- o. Prior to issuance of the first building permit, the Project Proponent shall submit information demonstrating compliance with bird-friendly design requirements under Section 16.45.130(6) of the Zoning Ordinance, as it existed when the Project's SB 330 preliminary application was submitted.
- p. Prior to issuance of the first building permit, the Project Proponent shall submit plans verifying that all external non-emergency lighting for the apartment building, landscaping, common recreational spaces, and pathways automatically switches off between the hours of 10 p.m. and sunrise.
- q. Simultaneous with the submittal of a building permit application for the project, the Project Proponent shall revise the plans to show the fifth floor deck fitted with noise barriers such as Plexiglass panels or laminated glass to reduce noise levels to a "conditionally acceptable" noise level of 70 dBA CNEL.
- r. The Project Proponent shall demonstrate compliance with mitigation measures included in the ConnectMenlo Mitigation Monitoring and Report Program (MMRP) and 2023-2031 Housing Element Update Subsequent EIR MMRP that are applicable to the project, subject to review and approval by the Community Development and Public Works Departments and the applicable City divisions. Timing for compliance documentation shall comply with the requirements in each MMRP. The following mitigation measures are directly applicable to the Project and included for ease of reference:
 - i. HEU SEIR Mitigation Measure AQ-2. The project shall comply with the current Bay Area Air Quality Management District's ("BAAQMD") basic control measures for reducing construction emissions of PM₁₀ (Table 5-2, Basic Best Management Practices for Construction-Related Fugitive Dust Emissions in the

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2022 BAAQMD CEQA Guidelines). The project shall implement BAAQMD Best Management Practices (BMPs) listed in Table 5-2 of the BAAQMD CEQA Guidelines to control fugitive dust during construction. These identified measures shall be incorporated into all appropriate construction documents (e.g., construction management plans) submitted to the City and are subject to review and approval by the City's Building Division and/or Planning Division.

- ii. HEU SEIR Mitigation Measure BIO-1.1. A pre-construction bird survey shall be completed by a qualified biologist (if vegetation and/or ground disturbance occurs between February 1 and September 1) of the project site and 250-foot radius surrounding the site and shall not occur no more than 14 days prior to the start of construction. If occupied nests are observed during the pre-construction survey, the biologist shall establish a "no disturbance buffer" surrounding the active nest or burrow and construction within that buffer zone shall be prohibited until any young present have fledged or the nest is no longer active, as determined by the qualified biologist. Upon completion of the survey, a report detailing the methods and results shall be provided to the Community Development Director for review and approval prior to issuance of demolition and grading permits.
- iii. HEU SEIR Mitigation Measure CR-2b. If pre-contact or historic-era archaeological resources are encountered during project construction and implementation, the Project Proponent shall halt all construction activities within 100 feet and notify the City. Pre-contact archaeological materials might include obsidian and chert flaked-stone tools (e.g., projectile points, knives, scrapers) or toolmaking debris; culturally darkened soil ("midden") containing heataffected rocks, artifacts, or shellfish remains; and stone milling equipment (e.g., mortars, pestles, handstones, or milling slabs); and battered stone tools, such as hammerstones and pitted stones. Historic-era materials might include stone, concrete, or adobe footings and walls; filled wells or privies; and deposits of metal, glass, and/or ceramic refuse. An archaeologist meeting the U.S. Secretary of the Interior's Standards (SOIS) for Archeology shall inspect the findings and work shall be stopped within 100 feet of the potential archaeological resource until the material is either determined by the archaeologist to not be an archaeological resource or appropriate treatment has been enacted, with appropriate consultation, as needed. If the City determines that the resource qualifies as a historical resource or a unique archaeological resource (as defined pursuant to the CEQA Guidelines) and that the project has potential to damage or destroy the resource, mitigation shall be implemented in accordance with PRC Section 21083.2 and CEQA Guidelines Section 15126.4, with a preference for preservation in place. If preservation in place is feasible, this may be accomplished through one of the following means: (1) siting improvements to completely avoid the archaeological resource; (2) incorporating the resource into a park or dedicated open space, by deeding the resource into a permanent conservation easement; (3) capping and covering the resource before building the project on the resource site after the resource has been thoroughly studied by a SOIS qualified archaeologist and a report written on the findings.

If preservation in place is not feasible, the City shall consult with California Native American tribes identified by the Native American Heritage

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Commissions (NAHC) to be affiliated with Menlo Park for the purposes of tribal consultation under Chapter 905, California Statutes of 2004 (if the resource is pre-contact or indigenous) to determine treatment measures to avoid, minimize, or mitigate any potential impacts to the resource pursuant to PRC Section 21083.2, and CEQA Guidelines Section 15126.4. This shall include documentation of the resource and may include data recovery (according to PRC Section 21083.2), if deemed appropriate by the archaeologist, in consultation with the City, or other actions such as treating the resource with culturally appropriate dignity and protecting the cultural character and integrity of the resource (according to PRC Section 21084.3).

- iv. HEU SEIR Mitigation Measure CR-3. If human remains are encountered during project construction or implementation, the Project Proponent shall ensure that all work in the immediate vicinity of the discovery shall cease and necessary steps are taken to ensure the integrity of the immediate area. The San Mateo County Coroner shall be notified immediately. The Coroner shall then determine whether the remains are Native American. If the Coroner determines the remains are Native American, the Coroner shall notify the NAHC within 24 hours, who will, in turn, notify the person the NAHC identifies as the Most Likely Descendant (MLD) of any human remains. Further actions shall be determined, in part, by the desires of the MLD. The MLD has 48 hours to make recommendations regarding the disposition of the remains following notification from the NAHC of the discovery. If the MLD does not make recommendations within 48 hours, the landowner shall, with appropriate dignity, reinter the remains in an area of the property secure from further disturbance.
- v. HEU SEIR Mitigation Measure GEO-5. In the event that fossils or fossil bearing deposits are discovered during ground disturbing activities, excavations within a 50-foot radius of the find shall be temporarily halted or diverted. Ground disturbance work shall cease until a City-approved qualified paleontologist determines whether the resource requires further study. The paleontologist shall document the discovery as needed in accordance with Society of Vertebrate Paleontology standards (Society of Vertebrate Paleontology 2010), evaluate the potential resource, and assess the significance of the find under the criteria set forth in CEQA Guidelines Section 15064.5. The paleontologist shall notify the appropriate agencies to determine procedures that would be followed before construction activities are allowed to resume at the location of the find. If avoidance is not feasible, the paleontologist shall prepare an excavation plan for mitigating the effect of construction activities on the discovery. The excavation plan shall be submitted to the City of Menlo Park for review and approval prior to implementation, and all construction activity shall adhere to the recommendations in the excavation plan.
- vi. HEU SEIR Mitigation Measure GHG-1b. The project shall comply with EV charging requirements in the most recently adopted version of CALGreen Tier 2 at the time that a building permit application is filed.
- vii. HEU SEIR Mitigation Measure HAZ-3a. The Project Proponent shall ensure that construction of the project is conducted under a project-specific Environmental Site Management Plan (ESMP) that is prepared by qualified personnel in consultation with the RWQCB or the DTSC, as appropriate. The

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purpose of the ESMP is to protect construction workers, the general public, the environment, and future site occupants from subsurface hazardous materials previously identified at the site and to address the possibility of encountering unknown contamination or hazards in the subsurface. The ESMP shall summarize soil and groundwater analytical data collected on the project site during past investigations; identify management options for excavated soil and groundwater, if contaminated media are encountered during deep excavations; and identify monitoring, irrigation, or other wells requiring proper abandonment in compliance with local, state, and federal laws, policies, and regulations.

The ESMP shall include measures for identifying, testing, and managing soil and groundwater suspected of or known to contain hazardous materials. The ESMP shall:

- Provide procedures for evaluating, handling, storing, testing, and disposing of soil and groundwater during project excavation and dewatering activities, respectively;
- 2. Describe required worker health and safety provisions for all workers potentially exposed to hazardous materials in accordance with state and federal worker safety regulations; and
- 3. Designate personnel responsible for implementation of the ESMP.
- viii. HEU SEIR Mitigation Measure HAZ-3b. Due to the results of the Phase I ESA prepared for the site, the project shall install a vapor mitigation system to reduce human health risk exposure to residual contamination.
- ix. HEU SEIR Mitigation Measure NOI-1. Prior to issuance of demolition, grading, and/or building permits for development projects, a note shall be provided on development plans indicating that during on-going grading, demolition, and construction, the property owner/developer shall be responsible for requiring contractors to implement the following measures to limit construction-related noise:
 - 1. Demonstrate that any construction activities taking place outside daytime construction hours of 8:00 AM to 6:00 PM Monday through Friday shall comply with the 60 dBA Leq limit during the hours of 7:00 AM to 8:00 PM and the 50 dBA Leq limit during the hours of 6:00 AM to 7:00 AM. In addition, the property owner/developer shall demonstrate that individual pieces of equipment proposed for use will not exceed the limit (85 dBA Leq at 50 feet) for powered equipment noise and that combined construction noise will not result in a 10 dBA increase over the ambient noise level at nearby sensitive receptors. Activities that would produce noise above applicable daytime or nighttime limits shall be scheduled only during normal construction hours. If it is concluded that a particular piece of equipment will not meet the requirements of this mitigation measure, that equipment shall not be used outside the daytime construction hours.
 - 2. Verify construction activities are conducted at adequate distances or otherwise shielded with sound barriers, as determined through analysis, from noise-sensitive receptors when working outside the

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- daytime construction hours of 8:00 AM to 6:00 PM Monday through Friday, and verify compliance with the Menlo Park Municipal Code though measurement.
- All internal combustion engines on construction equipment and trucks are fitted with properly maintained mufflers, air intake silencers, and/or engine shrouds that are no less effective than as originally equipped by the manufacturer.
- 4. Stationary equipment such as generators and air compressors shall be located as far as feasible from nearby noise-sensitive uses.
- 5. Stockpiling is located as far as feasible from nearby noise-sensitive receptors.
- 6. Limit unnecessary engine idling to the extent feasible.
- 7. Limit the use of public address systems.
- 8. Construction traffic shall be limited to the haul routes established by the City of Menlo Park.
- 9. Construct a solid plywood fence on the ground level adjacent to operational businesses, residences, and other noise-sensitive land uses. A temporary eight-foot, solid noise barrier shall be constructed along the northern and western property line to shield adjacent residents to the west and employees of the office building to the north from ground-level construction equipment and activities. The noise barrier shall be solid over the face and at the base of the barrier to provide a five dBA noise reduction. The noise barrier is required for the construction period prior to the Building Interior/Architectural Coating phase to meet the construction noise standards.
- 10. Designate a "noise disturbance coordinator" to respond to complaints about construction noise. The disturbance coordinator shall determine the cause of the noise complaint (e.g., bad muffler, etc.) and shall require that reasonable measures be implemented to correct the problem. Conspicuously post a telephone number for the disturbance coordinator at the construction site and include it in the notice sent to neighbors regarding the construction schedule (refer to Appendix K for more information).

City Arborist Conditions

- s. Prior to the issuance of a demolition permit tree protection shall be installed in compliance with the recommendations in the Arborist Report subject to review and approval by the City Arborist.
- t. Simultaneous with the submittal of a building permit application for the project, and before such application can be determined to be complete, Project Proponent shall submit revised plans showing the preservation of street tree #13 (Linden) and alteration to the bio-retention design to accommodate the preservation of tree #13.
- u. Prior to the issuance of a demolition permit, the Project Proponent shall pay an in-lieu fee of \$20,000 to address the shortfall in value between the loss of existing heritage trees and the value of proposed replacement trees to full mitigate the impact of the proposed heritage tree removals.

Engineering Division Conditions

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- v. The Project is in the Special Flood Hazard Area (Zone AE) and must be designed and constructed in compliance with current FEMA regulations and the City's Flood Damage Prevention Ordinance. Simultaneous with the first building permit application, the Project Proponent shall document compliance with the City's Flood Damage Prevention Ordinance (city's flood ordinance chapter 12.42) as it existed when the Project's SB 330 preliminary application was submitted, applicable FEMA requirements, and the City's sea level rise resiliency ordinance (16.45.130(4)(A)) as it existed when the Project's SB 330 preliminary application was submitted.
- w. The Project must comply with all relevant FEMA standards and local codes (as those local codes existed when the Project's SB 330 preliminary application was submitted), ensuring that all finished spaces and utilities are elevated above the Base Flood Elevation (BFE) of 10.2 feet NAVD88, with a Finished Floor Elevation (FFE) of 11.2 feet. Any portions of the garage located below the Design Flood Elevation (DFE) of 11.2 feet must be constructed with flood-resistant materials. Prior to final signoff of the foundation inspection, the Project Proponent shall submit an elevation certificate to the Engineering Division.
- x. Prior to building permit issuance, the Project Proponent shall submit plans for street light design per photometric analysis included in the attached plan set, at locations approved by the City. All streetlights along the Project frontages shall be painted Mesa Brown and upgraded with LED fixtures compliant with PG&E standards.

Transportation Division Conditions

- y. Prior to issuance of any building permit, the Project Proponent shall pay the transportation impact fee (TIF) in effect at the time the complete SB 330 preliminary application was submitted for the Project, subject to review and approval of the Transportation Division. Such fee includes:
 - i. The TIF is estimated to be \$479,169.04. This was calculated by multiplying the fee of \$6,358.18 per multi-family unit by 112 units and subtracting a credit by multiplying \$21.91/s.f. per office space by 10,361 s.f. of existing office space. Fees are due prior to issuance of the first building permit and subject to adjustment on July 1st of each year based on the ENR Construction Cost Index % for San Francisco.
- z. On January 1 of the year following the first full calendar year after the date of occupancy, or as otherwise designated in the Zoning Ordinance, the Project Proponent shall submit an Annual Monitoring Report to determine that implementation of the TDM plan is effective in reaching the trip reduction requirements established in the Zoning Ordinance and incorporated into the approved TDM plan. The monitoring report shall be submitted annually to the City's Transportation Division. The annual monitoring is expected to include counts from the site during a defined period with input from the Director of Public Works or their designee. If the subject site is not in compliance with the anticipated trip reductions from the TDM program, the Project Proponent shall submit a detailed mitigation and monitoring plan identifying steps to be taken to bring the Project site into compliance with the maximum Daily, AM and PM trips identified in the trip generation analysis and TDM program.

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- aa. Simultaneous with the submittal of any complete building permit application, the Project Proponent shall submit a TDM plan consistent with the TDM Plan dated July 23, 2024. Any changes to the plan are subject to review and approval by the City prior to occupancy of the first building. The property owner shall ensure compliance with the San Mateo County Congestion Management Program Land Use Implementation Policy (C/CAG TDM Policy). Specifically, the property owner shall ensure that the measures identified in the approved C/CAG TDM Checklist included in the TDM Plan are implemented over the life of the project, and that the property owner and tenants acknowledge the requirement to participate in the periodic monitoring and reporting requirements identified in the C/CAG TDM Policy. Accordingly, it is recommended that the property owner and/or developer clearly identify these TDM provisions and responsibilities in any sales and/or lease or sublease transactions.
- bb. The Project Proponent or property manager is responsible for placing waste bins in the designated pick up location the day before pick up after (5 p.m.) and shall relocate the bins inside the building trash room immediately after Recology services the Project site.

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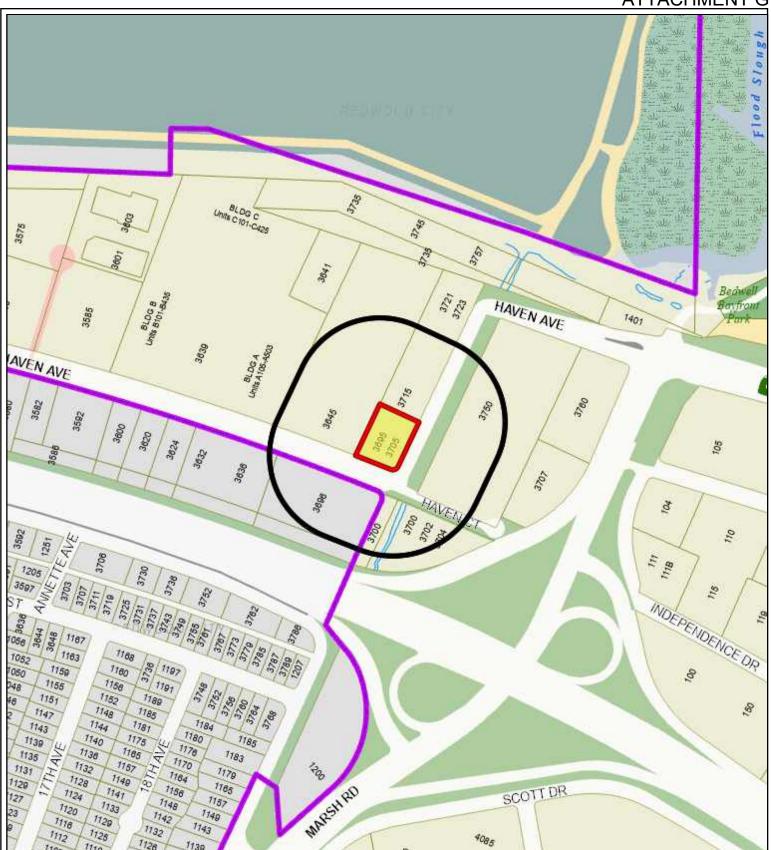
Goal/Policy	Summary	Consistency Analysis
Policy LU 1.2 Transportation Network Expansion	Integrate regional land use planning efforts with development of an expanded transportation network focusing on mass transit rather than freeways, and encourage development that supports multimodal transportation.	The project would redevelop an infill underutilized site with for-rent residential units in close proximity to existing job centers, potentially limiting reliance on vehicle for commutes.
Policy LU 2.1 Neighborhood Compatibility	Ensure that new residential development possesses high-quality design that is compatible with the scale, look, and feel of the surrounding neighborhood and that respects the City's residential character.	 The project generally complies with the R-MU-B zoning district design standards and regulations which were created to implement the Policy LU 2.1 pursuant to the concessions and waivers requested under the State Density Bonus Law.
Policy LU 2.2 Open Space	Require accessible, attractive open space that is well maintained and uses sustainable practices and materials in all new multiple dwelling and mixed-use development.	 The project complies with the open space requirements. The project provides a publicly accessible open space on the north and west sides of the proposed building, accessible from Haven Avenue (South and East) which would provide a pedestrian connection between two public rights-of-ways.
Policy LU 2.5 Below Market Rate Housing	Require residential developments of five or more units to comply with the provisions of the City's Below-Market Rate (BMR) Housing Program, including eligibility for increased density above the number of market rate dwellings otherwise permitted by the applicable zoning and other exceptions and incentives	 Project would provide 10 inclusionary housing units in compliance with the City's BMR Housing Program. The project would include three additional BMR units as the project's community amenity, and one additional BMR unit for a total of 14 units (ten verylow income and four moderate income).
Policy LU 2.6 Underground Utilities	Require all electric and communications lines serving new development to be placed underground	The proposed project would underground on-site utilities and overhead lines (along Haven Avenue East) and connections to an existing utility pole located across Haven Avenue.
Policy LU 2.9 Compatible Uses	Promote residential uses in mixed-use arrangements and the clustering of compatible uses such as employment centers, shopping areas, open space and parks, within easy walking and bicycling distance of each other and transit stops.	 The project would redevelop the site from an existing commercial building with a multifamily rental building that could provide housing for local employees in nearby commercial and office uses. The proposal would also provide affordable rental units. The project would provide a publicly accessible open space that would connect Haven Avenue East and South, which would run along the north and east of the property along the length of the proposed apartment building.
Policy LU 4.4	Require proposed development projects of a certain minimum scale to	The proposed project includes a community amenities proposal (three

Program LU 4.C Community Amenities Requirements	support and contribute to programs that benefit the community and the City, including education, transit, transportation, infrastructure, sustainability, neighborhood-serving amenities, child care, housing, job training, and meaningful employment for Menlo Park youth and adults.		low-income BMR units) in compliance with the minimum required community amenities value as accepted by the Community Development Director.
Policy LU 6.2 Open Space in New Development	Require new nonresidential, mixed use, and multiple dwelling development of a certain minimum scale to provide ample open space in form of plazas, greens, community gardens, and parks whose frequent use is encouraged through thoughtful placement and design	•	Project includes the required open space pursuant to the R-MU-B zoning district requirements. The project provides publicly accessible open space along the north and east of the property connecting two public rights-of-ways, Haven Avenue East and South, and providing pedestrian access across the site.
Policy LU 6.3 Public Open Space Design Program LU 6.B Open Space Requirements and Standards	Promote public open space design that encourages active and passive uses and use during daytime and appropriate nighttime hours to improve quality of life.		The project exceeds the minimum open space requirements of 7,202 square feet by providing 13,692 sf (47.5%) of open space, which includes approximately 4,670 square feet of publicly accessible open space.
Policy LU 6.9 Pedestrian and Bicycle Facilities	Provide well-designed pedestrian and bicycle facilities for safe and convenient multi-modal activity through the use of access easements along linear parks or paseos	•	The project would install frontage improvements along each public right-of-way including bicycle and pedestrian facilities. The project includes a publicly accessible open space, and other landscaping, which would provide a pedestrian connection between two public rights-of-way (Haven Avenue South and East).
Policy LU 6.11 Baylands Preservation	Allow development near the Bay only in already developed areas		The project would redevelop existing developed parcel with new residential development.
Program LU 6.D Design for Birds	Require new buildings to employ façade, window, and lighting design features that make them visible to birds as physical barriers and eliminate conditions that create confusing reflections to birds		The proposed project would comply with the R-MU-B zoning district requirements pertaining to bird friendly design standards and requirements.
Policy LU 7.1 Sustainability	Promote sustainable site planning, development, landscaping, and operational practices that conserve		The project would comply with the City's water efficient landscaping ordinance, CalGreen code requirements, Zoning

	resources and minimize waste.	Ordinance waste planning requirements, and be designed to applicable LEED
		standards.
Policy LU 7.9 Green Building Program LU 7.A	Support sustainability and green building best practices through the orientation, design, and placement of buildings and facilities to optimize their energy efficiency in preparation of State zero-net energy requirements for	The project would be designed to comply with the City's applicable LEED requirements; and would comply with the City's Green and Sustainable Building requirements in the Zoning Ordinance.
Green Building Operation and Maintenance	residential construction in 2020 and commercial construction in 2030.	, C
Policy LU 7.H Sea Level Rise	Establish requirements based on State Sea Level Rise Policy Guidance for development projects of a certain minimum scale potentially affected by	The project would comply with the Zoning Ordinance requirement that the finished floor of the ground level of the building be a minimum 24 inches above
Sea Level Rise	sea level rise to ensure protection from flooding and other potential effects	the BFE.
Policy CIRC 2.11 Design of New Development	Require new development to incorporate design that prioritizes safe pedestrian and bicycle travel and accommodates senior citizens, people with mobility challenges, and children	 The proposed project would provide both short and long term bicycle parking. The project would also provide commuter passes to accommodate multi-modal transportation for the project which would aid all age groups. The publicly accessible open space provides a short cut between Haven Avenue South and East.
Policy CIRC-2.14 Impacts of New Development Policy CIRC 2.11 Design of New Development	Require new development to mitigate its impacts on the safety (e.g., collision rates) and efficiency (e.g., vehicle miles traveled (VMT) per service population or other efficiency metric) of the circulation system. New development should minimize cut-through and high-speed vehicle traffic on residential streets; minimize the number of vehicle trips; provide appropriate bicycle, pedestrian, and transit connections, amenities and improvements in proportion with the scale of proposed projects; and facilitate appropriate or adequate response times and access for emergency vehicles. Require new development to incorporate design that prioritizes safe pedestrian and bicycle travel and accommodates senior citizens, people with mobility challenges, and children.	 The project includes a transportation demand management (TDM) plan that would reduce project trips by 35 percent. The project would provide its tenants with commuter passes. The project would install frontage improvements to facilitate bicycle and pedestrian connections near the project site.

Program CIRC 2.K Zoning Ordinance requirements	Establish Zoning Ordinance requirements for all new development to incorporate safe and attractive pedestrian and bicycle facilities, including continuous shaded sidewalks, pedestrian lighting, and other amenities.	The project would install frontage improvements to facilitate bike and pedestrian connections within the vicinity of the project site.
Policy CIRC 7.1 Parking and New Development	Ensure new development provides appropriate parking ratios, including application of appropriate minimum and/or maximum ratios, unbundling, shared parking, electric car charging, car sharing, and Green Trip Certified strategies to accommodate residents, employees, customers, and visitors	 The proposed project would provide 56 code-compliant parking spaces plus 46 compact spaces, for a total of 102 parking spaces. The Project's parking plan is consistent with applicable parking requirements as modified under the State Density Bonus Law. The proposed project provides sufficient EV charging facilities per City's EV Charging Ordinance. For the proposed project, parking would be unbundled from the cost of rent.
Housing Element Policy H4.2 Housing to Address Local Housing Needs Housing Element Policy H4.3 Variety of Housing Choices	Strive to provide opportunities for new housing development to meet the City's share of its Regional Housing Needs Allocation (RHNA). In doing so, it is the City's intent to provide an adequate supply and variety of housing opportunities to meet the needs of Menlo Park's workforce and special needs populations, striving to match housing types, affordability and location, with household income, and addressing the housing needs of extremely low income persons, lower income families with children, shared housing and lower income seniors.	 Project would provide 10 inclusionary housing units, three additional BMR units as the project's community amenity, and one additional BMR unit for a total of 14 units (ten very-low income and four moderate income). Project would provide various different types of units within the project such as studio, one-, two-, and three-bedroom units addressing housing needs for various types of households, which would contribute to the City's RHNA numbers. The project provides a multi-family affordable rent housing option which is much needed in Menlo Park.
Housing Element Policy H4.9 Long-Term Housing Affordability Controls	Apply rent and income restrictions to ensure that affordable housing provided through incentives remains affordable over time to the income group for which it is intended.	14 of the 112 units will be restricted to below market rate rents, in line with this policy.
Policy H4.10 Preferences for Affordable and Moderate-Income Housing.	Implement BMR and moderate-income housing preferences for people living or working in Menlo Park to the extent consistent with Fair Housing laws.	To the extent consistent with State Law, the City is applying its BMR preferences to the project, consistent with this policy.
Policy H4.11 Inclusionary Housing Approach.	Require residential developments involving five (5) or more units to provide very low-, low- and moderate-income housing units. In-lieu fees are	The project provides 15% inclusionary units before accounting for the State Density Bonus Law.

	allowed but not encouraged.	
Policy H4.16 Neighborhood Responsibilities within Menlo Park.	Seek ways specific to each neighborhood to provide additional housing as part of each neighborhood's fair share responsibility and commitment to help achieve community-wide housing goals.	This project will bring 112 residential units to the Bayfront, in line with the City's housing goals.





City of Menlo Park
Location Map
3705 Haven Avenue



Scale: 1:4,000 Drawn E

Drawn By: FNK Checked By: CDS

Date: 2/24/2025

Sheet: 1

STATE OF CALIFORNIA - BUSINESS, CONSUMER SERVICES AND HOUSING AGENCY

GAVIN NEWSOM, Governor

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT DIVISION OF HOUSING POLICY DEVELOPMENT

651 Bannon Street, Suite 400 Sacramento, CA 95811 (916) 263-2911 / FAX (916) 263-7453 www.hcd.ca.gov



December 17, 2024

Deanna Chow, Community Development Director City of Menlo Park 701 Laurel St. Menlo Park, CA 94025

Dear Deanna Chow:

RE: City of Menlo Park – 3705 Haven Avenue – Letter of Technical Assistance

The purpose of this letter is to provide technical assistance to the City of Menlo Park (City) regarding whether the applicant of the mixed-income rental project proposed at 3705 Haven Avenue (Project) may request a State Density Bonus Law (SDBL) concession¹ to modify a local inclusionary zoning requirement in order to align with the rent limits identified in Health and Safety Code section 50053.

Background

<u>Project:</u> The California Department of Housing and Community Development (HCD) understands that the proposed Project would result in the construction of an eight-story, 112-unit multifamily building, including 10 units affordable to very low-income (VLI) households, four units affordable to moderate-income (MI) households, and 98 market-rate units. Using SDBL, the Project would provide 66 base units, of which 15 percent would be affordable to VLI households to qualify for an initial 50-percent density bonus² and 6 percent would be affordable to MI households to qualify for a 22.5-percent additional density bonus.³ Pursuant to Government Code section 65915, subdivision (d)(2)(C), the applicant shall receive three incentives or concessions for a project that includes at least 15 percent for VLI households.

<u>Inclusionary Zoning</u>: The City's Municipal Code Chapter 16.96 contains a program for inclusionary zoning in the form of its Below Market Rate (BMR) housing program, which

¹ Gov. Code, § 65915, subd. (d).

² Gov. Code, § 65915, subd. (f).

³ Gov. Code, § 65915, subd. (v).

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is implemented by reference through the City's BMR Guidelines.⁴ For development projects containing 20 or more units, the BMR housing program requires at least 15 percent of the units be at below market rates and that the affordable units at extremely low-, very low-, low-, and/or moderate-income levels "shall be roughly equivalent to the provision of all the affordable units at the low-income level." As currently proposed, seven VLI units and three MI units in the Project are designated to satisfy the City's 15-percent BMR requirement. Combined, the ten BMR units satisfy the affordability provision because they average out to 71 percent of area median income (AMI), which is within the low-income category range of 50 to 80 percent of AMI.

Monthly Rental Cap: HCD understands that in 2010, the City Council adopted a BMR Guideline policy such that the monthly rental amounts for BMR units shall not exceed 75 percent of comparable market-rate rents. The intent of the rental cap was to ensure that deed-restricted BMR rents would be priced below market-rate rents. Depending on rental market conditions, the City's rental cap can result in a maximum monthly rent that is lower than the rent limits established by Health and Safety Code section 50053. This is especially true for MI units, which are calculated at 30 percent times 110 percent of area median income and adjusted for family size appropriate for the unit.⁶

Question: Can the Project applicant request an SDBL concession to modify a local inclusionary zoning requirement to align with the maximum rent limits established in Health and Safety Code section 50053?

Yes, a concession can be used to modify certain provisions of an inclusionary ordinance, including increasing the BMR rent limits to align with those established in state law, unless the City can make one of the three statutory findings of denial, one of which is that the concession would "not result in identifiable and actual cost reductions ... to provide for affordable housing costs...." With respect to the Project, the City must consider the applicant's request to align the MI rent limits for the BMR units with those defined in Health and Safety Code section 50053, subdivision (b)(5). Furthermore, the SDBL places the burden of proof on the City to deny the requested concession.⁸

⁴ City of Menlo Park. Below Market Rate Housing Program Guidelines (December 5, 2023), available at https://menlopark.gov/files/sharedassets/public/v/3/community-development/documents/housing/20231208-below-market-rate-guidelines.pdf

⁵ City of Menlo Park. Below Market Rate Housing Program Guidelines, § 4.1.2, p. 4.

⁶ H&S Code, § 50053, subd. (b)(5).

⁷ Gov. Code, § 65915, subd. (d)(1)(A).

⁸ Gov. Code, § 65915, subd. (d)(4).

Deanna Chow, Community Development Director Page 3

Conclusion

HCD appreciates the opportunity to provide technical assistance on the relationship between the SDBL and the City's inclusionary zoning rental cap requirement. As the City is aware, HCD has statutory authority to enforce the SDBL, among other state housing laws, and may review local government actions and inactions to determine consistency with these laws. If HCD finds that a local government's actions do not comply with state law, HCD may notify the California Office of the Attorney General that the local government is in violation of state law.

If you have any questions regarding the content of this letter or need additional technical assistance, please contact Grace Wu at Grace.Wu@hcd.ca.gov.

Sincerely,

David Zisser

Assistant Deputy Director

Local Government Relations and Accountability

⁹ Gov. Code, § 65585, subd. (j).

Design standards compliance								
Design standard category	Requirement	Project Compliance	Details					
Build-to area requirement	The minimum building frontage at the ground floor or podium level, as a percentage of the street frontage length, that must be located within the area of the lot between the minimum and maximum setback lines parallel to the street.	Complies	The building fronts Haven Avenue South and East and meets the setback requirements.					
Frontage landscaping	The percentage of the setback area devoted to ground cover and vegetation. Trees may or may not be within the landscaped area. For this requirement, the setback area is the area between the property line and the face of the building.	Complies	The project proposes to plant 14 new trees along the frontages to add greenery to the site.					
Frontage uses	Allowable frontage uses in order to support a positive integration of new buildings into the streetscape character.	Complies	The proposed project would be have recessed areas with planting at the main entrance to the building along Haven Avenue South. The building would have a distinct break for the elevated courtyard on level three at the center of the building facing Haven Avenue East. In addition to the varied usage of materials to enhance pedestrian experience.					
Surface parking along street	Surface parking may be located along the street if set back appropriately. The maximum percentage of linear frontage of property adjacent to the street allowed to be off-street surface parking.	Not applicable	The multifamily apartment building does not provide surface parking. Parking is provided by a two level podium garage.					
Minimum surface parking in setback	The minimum dimension from property line adjacent to the street that surface parking must be set back.	Not applicable	The multifamily apartment building does not provide surface parking. Parking is provided by a two level podium garage.					
Base Height and Minimum Stepback	Above 55 feet in height (referred to as "base height"), building façade must step back a minimum horizontal distance of 10 feet along 75% of the building façade	Complies	The multifamily apartment building fronts both Haven Avenue South and East, and meets the requirement by stepping back more than 75 percent of the building by 10 feet.					

Page 1 of 3

Building Projections	Building projections, such as balconies or bay windows, are permitted to project up to six feet into required stepback	Complies	The proposed balconies do not project into the required stepback.
Major Modulations	Minimum of one recess 15 feet wide by 10 feet deep every 200 feet of façade length from ground level to base height (55 feet)	Not applicable	Project does not have façade length over 200 feet.
Minor Modulations	Minimum recess five feet wide by five feet deep per every 50 feet of façade length from ground level to top of building	Does not Comply – Waiver Requested*	While the project provides minor modulations along Haven South and East, it does not meet the every 50 feet requirement. Additionally, no modulations are proposed along the left and rear side which front the publicly accessible open space.
Building Entrances	Minimum of one entrance every 100 feet of building length along a public street or paseo	Complies	The project provides two entrances on both Haven Avenue South and East frontages.
Ground Floor Transparency	Minimum of 30% of ground floor façade must provide transparency through windows, glass doors, etc.	Does not Comply – Waiver Requested	Waiver requested to decrease the ground floor transparency from the required 30 percent to 29 percent along Haven South and to 22 percent along Haven East frontages.
Minimum Ground Floor Height	Minimum height of 10 feet from ground level finished floor to second-level finished floor along street frontage	Does not Comply – Waiver Requested	Waiver requested to decrease the ground floor height from the required 10 feet to no less than eight and a half feet.
Garage Entrances	Maximum 24-foot wide opening for a two-way garage entrance along street frontage	Complies	Two individual driveways would provide access to the two separate garage levels, each with a 24-foot wide opening.
Awning, Signs, and Canopies	The maximum depth of awnings, signs, and canopies that project horizontally from the face of the building.	Complies	The project has an awning on the first floor above the entry way along Haven Avenue South. Additionally, there are two architectural features that project no more than 2 feet where the maximum allowed is 7 feet.
Building Materials 16.45.120(6)(F)	Stucco shall not be used more than 50 percent of the building façade	Deemed compliant	The percentage of wall area stucco for the multi-family apartment building exceeds the 50 percent limitation, but the project has been deemed consistent with this standard

under subdivision (j) of Government Code Section 65589.5 (the Housing Accountability Act, or the "HAA"), because the exceedance was not identified in writing with the timeframe
specified in the HAA.

^{*}Waiver refers to reductions or modifications to development standards necessary to accommodate the project's density pursuant to subdivision (e) of Government Code Section 65915.

LEED BD+C: Multifamily Midrise v4 - LEED v4

LTc

LTc

3705 Haven Scorecard

Location: 3705 Haven Avenue, Menlo Park, CA 94025, United States

Note: The information on this tab is READ-ONLY. To edit this information, see the Credit Category tabs.

Community Resources

Access to Transit



Integrativ	ve Process	Preliminary `	Υ	2 of 2	M	1	Verified	0
IPc	Integrative Process			2 of 2		1		
Location	and Transportation	Preliminary `	Υ	12 of 15	М	3	Verified	0
LTp	Floodplain Avoidance			Required				Verified
Performance	Path							
LTc	LEED for Neighborhood Development			0 of 15		0		
Prescriptive F	Path							
LTc	Site Selection			8 of 8		1		
LTc	Compact Development			3 of 3		0		



Sustainal	ole Sites	Preliminary Y	3 of 7	M 2	Verified 0
SSp	Construction Activity Pollution Prevention		Required		Not Verified
SSp	No Invasive Plants		Required		Not Verified
SSc	Heat Island Reduction		1 of 2	1	
SSc	Rainwater Management		0 of 3	1	
SSc	Nontoxic Pest Control		2 of 2	0	



Water Effic	siency	Preliminary `	Υ	10 of 12	M O)	Verified	0
WEp	Water Metering			Required				Not Verified
Performance P	ath							
WEc	Total Water Use			0 of 12	0)		
Prescriptive Pa	th							
WEc	Indoor Water Use			6 of 6	0)		
WEc	Outdoor Water Use			4 of 4	0)		



Energy and	Atmosphere	Preliminary	Υ	12 of 37	M 0	Verified	11
EAp	Minimum Energy Performance			Required			Not Verified
EAp	Energy Metering			Required			Not Verified
EAp	Education of the Homeowner, Tenant or Building Manager			Required			Not Verified
EAc	Annual Energy Use			11 of 30	0		11
EAc	Efficient Hot Water Distribution System			0 of 5	0		
EAc	Advanced Utility Tracking			1 of 2	0		



Materials	and Resources	Preliminary Y	6 of 9	M 0	Verified	0
MRp	Certified Tropical Wood		Required			Not Verified
MRp	Durability Management		Required			Not Verified
MRc	Durability Management Verification		1 of 1	0		
MRc	Environmentally Preferable Products		3 of 5	0		
MRc	Construction Waste Management		2 of 3	0		



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Indoor Envi	ronmental Quality	Preliminary	Υ	11 of 18	M	0	Verified	0
EQp	Ventilation			Required				Not Verified
EQp	Combustion Venting			Required				Not Verified
EQp	Garage Pollutant Protection			Required				Not Verified
EQp	Radon-Resistant Construction			Required				Verified
EQp	Air Filtering			Required				Not Verified
EQp	Environmental Tobacco Smoke			Required				Not Verified
EQp	Compartmentalization			Required				Not Verified
EQc	Enhanced Ventilation			1 of 3		0		
EQc	Contaminant Control			1 of 2		0		
EQc	Balancing of Heating and Cooling Distribution Systems			3 of 3		0		
EQc	Enhanced Compartmentalization			0 of 3		0		
EQc	Combustion Venting			2 of 2		0		
EQc	Enhanced Garage Pollutant Protection			1 of 1		0		
EQc	Low-Emitting Products			2 of 3		0		
EQc	No Environmental Tobacco Smoke			1 of 1		0		
Innovation		Preliminary	Υ	5 of 6	M	0	Verified	0
INp	Preliminary Rating			Required				Not Verified
INc	Innovation			4 of 5		0		
INc	LEED Accredited Professional			1 of 1		0		
Regional Pr	iority	Preliminary	Υ	4 of 4	M		Verified	0

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RPc

Point Floors	
The project earned at least 8 points total in Location and Transportation and Energy and Atmosphere	Yes
The project earned at least 3 points in Water Efficiency	No
The project earned at least 3 points in Indoor Environmental Quality	No

4 of 4

0

Total Preliminary Y 65 of 110 M 6 Verified 11

Certification Thresholds Certified: 40-49, Silver: 50-59, Gold: 60-79, Platinum: 80-110

Regional Priority



555 Montgomery Street Suite 720 San Francisco, CA 94111 info@housingactioncoalition.org housingactioncoalition.org

To Whom It May Concern,

The Housing Action Coalition is a member-supported nonprofit that advocates for creating more housing for residents of all income levels to help alleviate the Bay Area and California's housing shortage, displacement, and affordability crisis. Our endorsement committee had the opportunity to review the March Capital proposal, at 3705 Haven Avenue in Menlo Park and proudly endorse the project for the following reasons:

Land Use: The project successfully repurposes an underutilized commercial lot into a 100% residential development, transforming a former commercial site into 112 much-needed homes, contributing to the mixed-use character of the surrounding neighborhood. The proposed project enhances neighborhood livability by introducing much-needed housing along a commercial corridor and near large Silicon Valley employers.

Density: By utilizing the state density bonus program, the project maximizes its density beyond the base zoning allowance of 66 units per acre, achieving approximately 170 units per acre. The proposed eight-story structure reaches a height of 85 feet, exceeding the base zoning limit of 40 feet, and represents an efficient use of available land to meet critical housing needs. However, we encourage the project team to consider fully maximizing the height and density allowances provided to them through state law and increasing the height and number of units available in the building.

Affordability: The project exceeds local inclusionary housing requirements by providing 10 Very Low Income (VLI) units and 4 Moderate Income (MI) units on-site. The committee recognizes this effort to deliver housing at deeper affordability levels and commends the project team's commitment to increasing accessibility for lower-income households.

Parking and Alternative Transportation: The project proposes 105 car parking spaces while also offering ample secure bike parking. It is also well positioned near bike corridors along Haven Avenue and the waterfront, encouraging non-car commuting. However, the site is not very well-served by nearby bus lines. As of now, buses are only arriving at a nearby stop once an hour. We encourage the project team to work with the city of Menlo Park to increase the number and frequency of buses that serve the residents at the site and surrounding residential developments.

Urban Design: The committee appreciates the project's commitment to urban design principles, featuring landscaped courtyards, outdoor seating areas, and green buffer zones to enhance livability. The inclusion of community rooms, a gym, and pedestrian-friendly features makes the development an attractive and well-integrated addition to the neighborhood. The project's design takes into account the needs of its anticipated residents, primarily young professionals and young families, by situating housing near tech employment hubs and public amenities.

555 Montgomery Street. Suite 720 San Francisco, CA 94III info@housingactioncoalition.org housingactioncoalition.org



Environmental Features: The development prioritizes sustainability by targeting LEED Gold certification and incorporating water-efficient fixtures, drought-tolerant landscaping, and on-site stormwater management systems. The elevated first-floor design mitigates risks related to sea-level rise, while energy-efficient systems align with local climate resilience strategies.

Community Benefits and Input: The project will bring much-needed housing to Menlo Park while integrating features that enhance community well-being. The project team has proactively engaged with neighborhood groups and city staff, holding three community meetings and making design adjustments based on local feedback, including refining landscaping and amenity features. The committee acknowledges the team's responsiveness to community input and ongoing outreach efforts.

The Housing Action Coalition strongly supports this development, which aligns with our mission to advance well-designed and sustainable housing solutions. We encourage the City of Menlo Park to approve this project, as it represents a meaningful contribution to addressing the region's housing crisis.

Sincerely,

Corey Smith, *Executive Director* Housing Action Coalition (HAC)